

HOUSE BILL 742

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P1

2002 Regular Session
2r1631
CF 2r1092

By: **Delegate Wood (Department of Legislative Services)**

Introduced and read first time: February 6, 2002

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Local Governments - Financial Reports - Submission Date**

3 FOR the purpose of allowing counties, municipal corporations, and taxing districts in
4 the State with a population in excess of a certain number to file with the
5 Department of Legislative Services, by January 1 after the close of the fiscal
6 year, the annual financial reports they are required by law to file with the
7 Department; extending the time that counties, municipal corporations, special
8 taxing districts, and public corporations have to submit to the Department
9 certain reports relating to indebtedness; making stylistic and technical changes;
10 and generally relating to the submission of financial reports by local
11 governments and other entities to the Department of Legislative Services.

12 BY repealing and reenacting, with amendments,
13 Article 19 - Comptroller
14 Section 37
15 Annotated Code of Maryland
16 (2001 Replacement Volume)

17 BY repealing and reenacting, with amendments,
18 Article 24 - Political Subdivisions - Miscellaneous Provisions
19 Section 2-101
20 Annotated Code of Maryland
21 (2001 Replacement Volume)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article 19 - Comptroller**

25 37.

26 (A) Each county, [incorporated city or town and] MUNICIPAL CORPORATION,
27 AND taxing district IN THE STATE:

1 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, shall
2 by the first day of November after the close of the fiscal year file with the Department
3 of Legislative Services, its financial report covering the full period of that fiscal year;
4 OR

5 (2) WITH A POPULATION OF MORE THAN 400,000, MAY BY THE FIRST DAY
6 OF JANUARY AFTER THE CLOSE OF THE FISCAL YEAR FILE WITH THE DEPARTMENT
7 OF LEGISLATIVE SERVICES ITS FINANCIAL REPORT COVERING THE FULL PERIOD OF
8 THAT FISCAL YEAR.

9 (B) [Such report] THE REPORTS REQUIRED BY SUBSECTION (A) OF THIS
10 SECTION shall be:

11 (1) properly filled in on the form or forms established by the Department
12 as provided in this subtitle; and

13 (2) [shall be] verified by the chief executive officer of each county,
14 [incorporated city or town and] MUNICIPAL CORPORATION, AND taxing district.

15 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

16 2-101.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Department" means the Department of Legislative Services.

19 (3) "Financial officer" means the treasurer or other financial officer of a
20 political subdivision.

21 (4) "Political subdivision" includes:

22 (i) A county;

23 (ii) A municipal corporation in the State;

24 (iii) A special taxing district in the State; and

25 (iv) A public corporation of the State.

26 (b) If a political subdivision is authorized to incur debt to be redeemed from a
27 fee, charge, or the proceeds of a levy, then within [120] 180 days after the end of the
28 fiscal year of the political subdivision, its financial officer shall submit, subject to §
29 2-1246 of the State Government Article, to the Department a comprehensive report
30 on the financial condition of the political subdivision as of the end of that fiscal year.

31 (c) A report under this section shall be on the form that the Department
32 provides.

33 (d) A report under this section shall include the affidavit of the financial
34 officer and all of the following information that applies to the political subdivision:

- 1 (1) The assessed valuation of taxable and tangible property in the
2 political subdivision;
- 3 (2) The total indebtedness of the political subdivision;
- 4 (3) The following categories of the total indebtedness:
 - 5 (i) Bond indebtedness that is redeemable from the proceeds of
6 general and ad valorem taxes;
 - 7 (ii) Temporary or floating indebtedness;
 - 8 (iii) Obligations that are incurred in anticipation of tax collection;
 - 9 (iv) Current bills payable;
 - 10 (v) Contingent liability that results from the guaranty of an
11 obligation of another political subdivision; and
 - 12 (vi) Self-liquidating bond indebtedness;
- 13 (4) As to self-liquidating bond indebtedness:
 - 14 (i) The amount of indebtedness for each project; and
 - 15 (ii) The source of the revenue for its liquidation;
- 16 (5) As to each sinking fund for retirement of obligations:
 - 17 (i) Each obligation for which the fund is established;
 - 18 (ii) The amount of the fund; and
 - 19 (iii) The manner in which money in the fund is invested;
- 20 (6) As to the tax levy for the fiscal year for which the report is made:
 - 21 (i) The amount of the levy imposed;
 - 22 (ii) The amount of the levy collected; and
 - 23 (iii) Separate items for:
 - 24 1. The amount of any special assessment levied; and
 - 25 2. The amount of that assessment collected;
- 26 (7) As to the tax levy for each of the 3 fiscal years immediately preceding
27 the fiscal year for which the report is made:
 - 28 (i) The amount of the levy imposed; and

- 1 (ii) The amount of uncollected taxes;
- 2 (8) As to the population of the political subdivision:
- 3 (i) The population in the most recent federal census; and
- 4 (ii) Any official or unofficial population estimates for the fiscal year
5 for which the report is made;
- 6 (9) A copy of the most recent actuarial report on the pension system of
7 the political subdivision, unless it is a county or municipal corporation and a member
8 of the State pension system; and
- 9 (10) Any other information about the financial affairs of the political
10 subdivision that the Department finds pertinent or appropriate and necessary to
11 show accurately the financial condition of the political subdivision.
- 12 (e) (1) A financial officer may not fail:
- 13 (i) To submit a report under this section; or
- 14 (ii) Within 15 days after receiving notice that the Department finds
15 the report inadequate, to resubmit a report that meets the requirements of this
16 section.
- 17 (2) A financial officer who violates any provision of this subsection is
18 personally liable to the State for a penalty of \$10 for each day or part of a day for
19 which the report is overdue.
- 20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
21 effect July 1, 2002.