

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 368

(Chair, Appropriations Committee)(By Request -
Departmental - Human Resources)

Appropriations

Budget and Taxation

Human Services - Local Departments of Social Services - Audits

This departmental bill alters the frequency of financial and compliance audits of local departments of social services, from at least once every two years to at least once every three years. The bill specifies that the Office of the Inspector General in the Department of Human Resources (DHR) is required to conduct or contract for the audits.

Fiscal Summary

State Effect: Altering the frequency of audits will not materially affect State finances.

Local Effect: None.

Small Business Effect: The Department of Human Resources has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: DHR is required at least once every two years to conduct or contract for a financial and compliance audit of each local department of social services and prepare a written report of the audit findings.

Background: DHR advises that current staffing levels of the Office of the Inspector General do not permit two year audits. The proposed change will ensure adequate audit coverage in light of DHR's limited resources. In addition, the proposed change will be

consistent with the three-year audit cycle utilized by the Office of Legislative Audits and most other State audit agencies.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Human Resources, Department of Legislative Services

Fiscal Note History: First Reader - February 11, 2010
mpc/hlb

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Local Departments of Social Services Audit Cycle

BILL NUMBER: HB 368

PREPARED BY: Department of Human Resources

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.