

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

House Bill 839

(Delegate Heller, *et al.*) (Chair, Joint Committee on the  
Management of Public Funds)

Environmental Matters

Budget and Taxation

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Political Subdivisions - Financial Reports

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This bill alters the timeframe in which a political subdivision must submit a comprehensive report on its financial condition to the State Treasurer and the Department of Legislative Services (DLS) to equal the date which the annual audit and annual financial report of counties, municipalities, and special taxing districts must be submitted to DLS.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** None. The bill is clarifying in nature and reflects current practice.

**Small Business Effect:** None.

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Analysis

**Current Law:** A political subdivision includes a county, a municipality, a special taxing district, and a public corporation of the State. A political subdivision in the State authorized to incur debt must submit a comprehensive report on the financial condition of the political subdivision to the State Treasurer and to DLS by November 1 of each year. If a political subdivision has a population of at least 400,000 the report must be submitted by January 1.

**Background:** Article 19 of the Maryland Annotated Code requires counties and municipalities to submit an annual audit and an annual financial report, commonly known

as the *Uniform Financial Report* (UFR) to DLS by November 1 of each year. Local governments with a population greater than 400,000, however, may take until January 1 to file the audit and annual financial report. In recent years, the General Assembly has extended the report filing deadlines for the audit and UFR in three counties with a population under 400,000. Chapter 226 of 2007 extended the filing deadline for Howard County to submit the UFR until December 1. Chapter 493 of 2008 and Chapter 286 of 2009 extended the deadline until January 1 for Frederick and Wicomico counties, respectively.

**Local Fiscal Effect:** The bill applies to counties that have, through State law in Article 19, altered the required filing deadline of the annual audit and UFR. For Frederick, Howard, and Wicomico counties the bill alters the filing deadline specified in Article 24, to equal the filing date required in Article 19.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** SB 347 (Senator Jones, *et al.*) (Chair, Joint Committee on the Management of Public Funds) - Budget and Taxation.

**Information Source(s):** Anne Arundel, Baltimore, Charles, Frederick, and Queen Anne's counties; State Treasurer's Office; Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2010  
mam/hlb

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