

**Department of Legislative Services**  
Maryland General Assembly  
2012 Session

**FISCAL AND POLICY NOTE**

Senate Bill 615 (Senator Jennings)  
Budget and Taxation

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**Legislative Audits - Joint Audit Committee Recommendations**

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This bill alters provisions of law relating to Joint Audit Committee (JAC) recommendations with respect to a report of a fiscal/compliance nature by requiring, rather than authorizing, JAC to recommend to the Governor and the Comptroller that a government unit take corrective action or correct the findings in the report. The bill also repeals a provision authorizing JAC to grant a waiver from the recommended action.

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**Fiscal Summary**

**State Effect:** Any change in State activities will not materially affect State finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The Office of Legislative Audits, a unit within the Department of Legislative Services (DLS), is required to conduct fiscal/compliance audits of every State agency and program, except the Legislative Branch, at least every three years. Copies of the reports are provided to JAC, the Executive Director of Legislative Services, the unit or body that is the subject of the report, and the Office of the Attorney General. A “unit” includes each State department, agency, unit, and program, including each clerk of court and each register of wills.

The Legislative Auditor must review each unit’s response and advise the unit of the results of the review. The Legislative Auditor must advise JAC when a unit (1) does not

make a response to a recommendation; (2) does not indicate action to be taken in response to a recommendation; (3) has not taken the action the unit indicated in its response to a recommendation; (4) requests a waiver from a recommendation; or (5) provides a response that is not considered appropriate to carry out the recommendation. The Executive Director of Legislative Services or JAC may direct the Legislative Auditor to undertake a review to determine the extent to which action has been taken to implement a report recommendation. If JAC makes specified recommendations to the Governor and the Comptroller, the Governor must advise JAC within 45 days after receipt of the recommendation as to the action taken.

Without concurrence of the Comptroller, JAC may not waive a recommendation of the Legislative Auditor with respect to fiscal and financial record keeping, a uniform system of accounting, or the submission of fiscal and financial reports by the units.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Governor's Office, Comptroller's Office, Office of Legislative Audits, Department of Legislative Services

**Fiscal Note History:** First Reader - March 7, 2012  
ncs/lgc

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