

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 803
Economic Matters

(Harford County Delegation)

Education, Health, and Environmental Affairs

Harford County - Alcoholic Beverages - Annual Financial Audit

This bill requires the Harford County Board of License Commissioners to submit an annual audit report to the Harford County Executive and the Harford County Delegation. The audit is not subject to approval by either the county executive or the delegation. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: None.

Local Effect: The bill is not anticipated to materially affect Harford County finances or operations.

Small Business Effect: None.

Analysis

Current Law: The board is comprised of five members appointed by the county executive for three-year terms. The board pays the net proceeds of fees received from the issuance of alcoholic beverages licenses to local jurisdictions throughout Harford County. The board also manages a reserve account to ensure there are working funds to continue board operations in case of unanticipated financial events or circumstances. The reserve account may not exceed \$100,000 at any time.

Background: In August 2018, based on advice of the Attorney General, the Office of Legislative Audits informed the board that it was not subject to annual audit requirements specified under the Local Government Article. Prior to this advice, the board would

annually prepare and submit audited financial statements to the Department of Legislative Services (DLS) and these statements would later be reviewed by the Office of Legislative Audits. The most recent audit report that the board submitted to DLS was in December 2017, and it reflected the financial position of the board as of April 30, 2017.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Harford County; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2019
an/tso Third Reader - March 19, 2019

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510