

HB0760/183222/1

BY: Ways and Means Committee

AMENDMENTS TO HOUSE BILL 760
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “**Delegate Palakovich Carr**” and substitute “**Delegates Palakovich Carr and Hornberger**”; strike line 2 in its entirety and substitute “**Office of Legislative Audits – Local School Systems – Report**”; strike beginning with “county” in line 3 down through “education” in line 6 and substitute “each local school system, on or before a certain date, to submit a report to the Joint Audit and Evaluation Committee on the status of implementation of corrective actions to address repeat findings and recommendations identified by the Office of Legislative Audits in the most recent audit; requiring each local school system to publish the report on its website; and generally relating to audits of each local school system”; and after line 11, insert:

“BY repealing and reenacting, with amendments,

Article - State Government

Section 2-1220(e)

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)”.

AMENDMENT NO. 2

On page 1, in line 16, strike “(1)”; and strike in their entirety lines 18 and 19.

On page 2, strike in their entirety lines 4 through 6, inclusive; and after line 21, insert:

“Article – State Government

2–1220.

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(e) (1) Except as provided in paragraph (4) of this subsection, at least once every 6 years, the Office of Legislative Audits shall conduct an audit of each local school system to evaluate the effectiveness and efficiency of the financial management practices of the local school system.

(2) The audits may be performed concurrently or separately.

(3) The Office of Legislative Audits shall provide information regarding the audit process to the local school system before the audit is conducted.

(4) (i) Subject to the limitation under subparagraph (ii) of this paragraph, beginning in fiscal year 2017, a local school system shall be exempt from the audit requirement under paragraph (1) of this subsection if the county governing body, the county board of education, and the county delegation to the Maryland General Assembly consisting of the county senators and delegates each submits a letter to the Joint Audit and Evaluation Committee requesting an exemption on or before November 1 of fiscal year 2017, or on or before November 1 of the last year of a 6-year audit cycle under paragraph (1) of this subsection, as determined by the Office of Legislative Audits.

(ii) A local school system may not be exempt for two consecutive 6-year audit cycles.

(5) (I) ON OR BEFORE NOVEMBER 1 OF THE THIRD YEAR OF A 6-YEAR AUDIT CYCLE UNDER PARAGRAPH (1) OF THIS SUBSECTION, EACH LOCAL SCHOOL SYSTEM SHALL SUBMIT A REPORT TO THE JOINT AUDIT AND EVALUATION COMMITTEE ON THE STATUS OF IMPLEMENTATION OF CORRECTIVE ACTIONS TO ADDRESS REPEAT FINDINGS AND RECOMMENDATIONS IDENTIFIED BY THE OFFICE OF LEGISLATIVE AUDITS IN THE MOST RECENT AUDIT CONDUCTED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(II) EACH LOCAL SCHOOL SYSTEM SHALL PUBLISH THE REPORT REQUIRED UNDER THIS PARAGRAPH ON ITS WEBSITE.

(III) BEFORE PUBLISHING THE REPORT IN ACCORDANCE WITH SUBPARAGRAPH (II) OF THIS PARAGRAPH, ANY CYBERSECURITY FINDINGS SHALL BE REDACTED IN A MANNER CONSISTENT WITH AUDITING BEST PRACTICES.

(6) Notwithstanding paragraph (4) of this subsection, the Joint Audit and Evaluation Committee may direct the Office of Legislative Audits to conduct an audit of a local school system at any time.”.