

SENATE BILL 859

P4, P1

6lr3597

By: **Senator Hettleman (By Request – Joint Audit and Evaluation Committee)**

Introduced and read first time: February 6, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Personnel – State Fiscal Leadership Capacity**

3 FOR the purpose of authorizing the Secretary of Budget and Management to grant a certain
4 exemption to the State pay plan under certain circumstances; requiring certain
5 appointing authorities to select chief financial officers that meet certain
6 requirements; requiring certain chief financial officers to provide to the Office of the
7 Comptroller certain financial information at the close of the fiscal year for a certain
8 report; requiring certain chief financial officers to provide the General Accounting
9 Division of the Office of the Comptroller with certain information and a certain letter;
10 and generally relating to the chief financial officers of units in the Executive Branch
11 of State government.

12 BY repealing and reenacting, without amendments,
13 Article – State Personnel and Pensions
14 Section 1–101(a) and (b)
15 Annotated Code of Maryland
16 (2024 Replacement Volume and 2025 Supplement)

17 BY adding to
18 Article – State Personnel and Pensions
19 Section 2–206
20 Annotated Code of Maryland
21 (2024 Replacement Volume and 2025 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
23 That the Laws of Maryland read as follows:

24 **Article – State Personnel and Pensions**

25 1–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(a) In this Division I of this article the following words have the meanings indicated.

(b) "Appointing authority" means an individual or a unit of government that has the power to make appointments and terminate employment.

2-206.

(A) IN THIS SECTION, "CHIEF FINANCIAL OFFICER" INCLUDES:

(1) AN INDIVIDUAL ACTING AS CHIEF FINANCIAL OFFICER FOR A PERIOD OF 3 MONTHS OR LONGER; AND

(2) A POSITION EQUIVALENT TO A CHIEF FINANCIAL OFFICER.

(B) THIS SECTION APPLIES TO A UNIT OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT THAT:

(1) RECEIVES AT LEAST \$2,000,000,000 ANNUALLY IN STATE AND FEDERAL FUNDING; AND

(2) EMPLOYS A CHIEF FINANCIAL OFFICER.

(C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AT THE REQUEST OF AN APPOINTING AUTHORITY, THE SECRETARY MAY GRANT AN EXEMPTION TO THE STATE PAY PLAN TO ASSIST UNITS OF STATE GOVERNMENT IN THE RECRUITMENT AND RETENTION OF CHIEF FINANCIAL OFFICERS.

(D) AN APPOINTING AUTHORITY SUBJECT TO THIS SECTION SHALL MAKE AN APPOINTMENT OF A CHIEF FINANCIAL OFFICER WHO MEETS THE REQUIREMENTS IN SUBSECTION (E) OF THIS SECTION.

(E) A CHIEF FINANCIAL OFFICER OF A UNIT OF STATE GOVERNMENT SUBJECT TO THIS SECTION SHALL:

(1) (i) BE A CERTIFIED PUBLIC ACCOUNTANT WITH 5 YEARS OF EXPERIENCE IN FISCAL MANAGEMENT IN THE PRIVATE OR PUBLIC SECTOR WITH A MINIMUM OF 2 YEARS OF EXPERIENCE IN A HIGH-LEVEL MANAGEMENT POSITION; OR

(ii) POSSESS A MASTER'S DEGREE IN BUSINESS ADMINISTRATION, FINANCE, OR A RELATED FIELD FROM AN ACCREDITED INSTITUTION OF HIGHER EDUCATION WITH 3 YEARS OF EXPERIENCE IN FISCAL

1 MANAGEMENT IN THE PRIVATE OR PUBLIC SECTOR WITH A MINIMUM OF 2 YEARS OF
2 EXPERIENCE IN A HIGH-LEVEL MANAGEMENT POSITION; OR

3 (2) HAVE A DOCUMENTED RECORD OF MANAGEMENT WITH AT LEAST
4 10 YEARS' EXPERIENCE IN FISCAL MANAGEMENT IN THE PRIVATE OR PUBLIC
5 SECTOR, WITH A MINIMUM OF 5 YEARS OF EXPERIENCE IN A HIGH-LEVEL
6 MANAGEMENT POSITION.

7 (F) (1) A CHIEF FINANCIAL OFFICER OF A UNIT OF STATE GOVERNMENT
8 SUBJECT TO THIS SECTION SHALL PROVIDE TO THE OFFICE OF THE COMPTROLLER
9 FOR THE ANNUAL COMPREHENSIVE FINANCIAL REPORT, REQUIRED UNDER §
10 2-102 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, ALL NECESSARY
11 ENTRIES OF THE UNIT'S FINANCIAL INFORMATION AT THE CLOSE OF THE FISCAL
12 YEAR.

13 (2) THE CHIEF FINANCIAL OFFICER THAT REPORTS TO THE
14 COMPTROLLER UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

15 (I) ENSURE THAT EACH ENTRY IN THE UNIT'S FINANCIAL
16 INFORMATION IS ADEQUATE AND ACCURATELY RECORDED; AND

17 (II) CERTIFY TO THE COMPTROLLER THE ADEQUACY AND
18 ACCURACY OF THE FINANCIAL INFORMATION WITH A STATEMENT THAT:

19 1. ALL FEDERAL FUND RECEIVABLES ARE PROPERLY
20 SUPPORTED AND CAN BE DIRECTLY ASSOCIATED WITH A SPECIFIC FEDERAL
21 FUNDING STREAM; AND

22 2. THE STATE CAN REASONABLY EXPECT TO RECEIVE
23 FUNDS WITHIN 60 DAYS FOR THE SUBSEQUENT FISCAL YEAR UNLESS SPECIFIC
24 FEDERAL LANGUAGE ALLOWS FOR A LONGER RECOVERY PERIOD.

25 (3) IN ADDITION TO THE REQUIREMENTS SPECIFIED IN PARAGRAPHS
26 (1) AND (2) OF THIS SUBSECTION, THE CHIEF FINANCIAL OFFICER SHALL PROVIDE
27 TO THE GENERAL ACCOUNTING DIVISION OF THE OFFICE OF THE COMPTROLLER:

28 (I) THE INFORMATION NECESSARY TO PREPARE THE ANNUAL
29 COMPREHENSIVE FINANCIAL REPORT AND SCHEDULE OF EXPENDITURES OF
30 FEDERAL AWARDS; AND

31 (II) A LETTER ATTESTING TO THE ACCURACY AND
32 COMPLETENESS OF THE INFORMATION PROVIDED UNDER ITEM (I) OF THIS
33 PARAGRAPH.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2026.