

Town of Berwyn Heights

5700 Berwyn Road Berwyn Heights, MD 20740 Tel. (301) 474-5000 Fax (301) 474-5002 **MAYOR**

Jodie Kulpa-Eddy

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February 5, 2024

The Honorable Marc Korman, Chairman Environment & Transportation Committee Room 251, House Office Building Annapolis, MD 21401

Re: Support for HB165 Local Government – Annual Audit Reporting Requirements – Alterations

Dear Chairman Korman,

Thank you for the opportunity to submit written testimony. The Town Council for the Town of Berwyn Heights supports House Bill 165, with the following concerns and amendments.

- Remove the consequences of police aid being discontinued in Section (E) (1). Providing public safety to residents is of the utmost importance to local government. It is unfair to withhold vital community funding from the governing body and residents trying to work toward compliance with audit requirements.
- Request increased funding support to the Town Manager Circuit Rider Program. This program provides significant support for small municipalities and can help address the core concerns of ensuring there are compliant fully functioning local governments. Instead of focusing solely on punitive measures, the conversation should also focus on capacity-building opportunities.
- Develop a mechanism for demonstrating commitment and progress toward compliance. The following amendments strive toward that aim:
 - Add Section (E) (3) Allow a provision for municipalities that have previously been in good standing with the state but experienced an extenuating circumstance/s preventing them from remaining current on filing of annual audits.
 - Add (3) (I) Provide a grace period to allow for a county, municipality, or special taxing district to be extended to 3 years if there is a sign of good faith effort happening.
 - Add (3) (II) Provided the county, municipality, or special taxing district submits documentation to demonstrate efforts are being taken to return to the status of good standing.
 - Add (3) (III) If there are multiple years of audits missing, good faith efforts to return to good standing will require completing at least one (1) complete audit or providing documentation of audit services in progress by December 31 after the close of its fiscal year.

The Town of Berwyn Heights, therefore, respectfully requests the Committee support the proposed amendments for HB165.

Sincerely,

Jodie Kulpa-Eddy

Mayor,