



Prince George's County Municipal Association

An Association of 27 Municipalities



March 29, 2024

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

Re: Support for SB747 - Local Government - Annual Audit Reporting Requirements - Alterations

Dear Chair Korman, Vice Chair Boyce, and members of the Environment and Transportation Committee,

Thank you for the opportunity to submit testimony. The Prince George's County Municipal Association (PGCMA) writes on behalf of the 27 municipalities that collectively represent more than 955,000 residents, to share our support of Senate Bill 747 (Local Government-Annual Audit Reporting Requirements-Alterations) 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.

For those reasons and more, PGCMA respectfully requests the Committee's support for SB747 with the recommended amendments.



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Sincerely,

Melinda Mendoza

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PGCMA President

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