

TESTIMONY

January 21, 2025

Committee: Senate Education, Energy, and the Environment

Bill: HB 35 - Municipal Appointees and Employees - Financial Oversight - Required

Education and Experience

Position: Unfavorable

Reason for Position:

The Maryland Municipal League (MML) opposes Senate Bill 35 as it sets unreasonable education and work experience requirements on certain municipal employees. These proposed requirements represent an uncommon intervention of the State into the hiring practices of municipal governments and would set a threshold that would be difficult for many towns to meet.

The requirements in the bill would disqualify many existing municipal treasurers and make it extremely difficult to find someone who meets all the requirements as a replacement. Some municipal treasurers are part-time, some have other responsibilities with the town beyond that of treasurer, and some are volunteers. Constrained municipal budget combined with lack of available talent pool would make these requirements difficult to achieve.

Specifically, bill states that a municipal treasurer must meet <u>all</u> these qualifications:

- the municipal treasurer must have completed 27 semester hours of undergraduate or graduate level accounting courses,
- hold a baccalaureate or higher degree in accounting, business administration, finance, public administration, or a related field, <u>AND</u>
- have at least 5 years of full—time employment experience in accounting or finance or a related field.

Municipal governments are granted broad general authority to conduct their affairs on behalf of their residents, which includes hiring practices. Municipal governments employ over 23,000 people and in the vast majority of those instances they set the job description, responsibilities, and qualifications they deem appropriate for the position to best serve the community. This bill establishes a rare instance where the State would set such prescriptive job qualifications for a municipal employee.



Maryland Municipal League

The Association of Maryland's Cities and Towns

In addition, municipal governments are required by State law to have an audit of their finances conducted annually. Exceptions can be made for smaller municipalities to have their audits conducted every four years, but while the audits occur less frequently in those instances, all four years of finances are still reviewed. This audit process builds public trust in the use of taxpayer dollars and acts as guardrails for local governments.

The provisions of SB 35 place unreasonable requirements on municipal government treasurers and make job recruitment and retention for these positions very difficult. In addition, this bill infringes on municipal government authority to conduct its local business by imposing prescriptive hiring requirements For these reasons, the League respectfully requests that the committee provide Senate Bill 35 with an unfavorable report.

FOR MORE INFORMATION CONTACT:

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