

HOUSE BILL 850

F3

7lr0724

By: **Howard County Delegation**

Introduced and read first time: February 3, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Howard County – Board of Education Fund Transfers – Approval Process**

3 **Ho. Co. 16–17**

4 FOR the purpose of altering the number of days by which the Howard County Council may
5 act on a written request for budget transfers by the Howard County Board of
6 Education; authorizing the Howard County Council to approve or disapprove a
7 written request for budget transfer in whole or in part; and generally relating to
8 Howard County Board of Education funds.

9 BY repealing and reenacting, with amendments,
10 Article – Education
11 Section 5–105 and 5–107(b)
12 Annotated Code of Maryland
13 (2014 Replacement Volume and 2016 Supplement)

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

16 **Article – Education**

17 **5–105.**

18 (a) All revenues received by a county board shall be spent by the board in
19 accordance with the major categories of its annual budget as provided under § 5–101 of this
20 subtitle.

21 (b) (1) (i) A transfer may be made within the major categories without
22 recourse to the county commissioners or county council except that a report of the transfer
23 shall be submitted to the county commissioners or county council within 15 days after the
24 end of each month.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(ii) A report under subparagraph (i) of this paragraph shall include a narrative summary that clearly indicates each transfer.

(2) A transfer between major categories shall be made only with the approval of the county commissioners or county council.

(3) (I) **[If] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, IF** the county commissioners or county council fail to take action on a request for transfer between major categories within 30 days after the receipt of a written request substantiating the transfer, the failure to take action constitutes approval.

(II) 1. **IN HOWARD COUNTY, IF THE COUNTY COUNCIL FAILS TO TAKE ACTION ON A REQUEST FOR TRANSFER BETWEEN MAJOR CATEGORIES WITHIN 65 DAYS AFTER THE RECEIPT OF A WRITTEN REQUEST SUBSTANTIATING THE TRANSFER, THE FAILURE TO TAKE ACTION CONSTITUTES APPROVAL.**

2. **THE HOWARD COUNTY COUNCIL MAY APPROVE OR DISAPPROVE A WRITTEN REQUEST FOR TRANSFER BETWEEN MAJOR CATEGORIES IN WHOLE OR IN PART.**

(4) A county board shall submit to the county governing body a report within 15 days after the end of each month if during that month the county board takes any action that would commit the county board to spend more for the current fiscal year in any major category than the amount approved in the annual budget for that category.

(5) A report under paragraph (4) of this subsection shall include a narrative explanation of the action taken, indicating any request for transfer between categories that may become necessary for the fiscal year as a result of the action.

(c) Except as provided in subsection (d) of this section, nonlocal funds received by a county board after the adoption of the annual budget by the county fiscal authority may be spent by the county board if the county fiscal authority is notified and approves of:

(1) The source and amount of the funds; and

(2) The manner of spending the funds.

(d) (1) Funds received by the county board under § 2-608(a)(1) of the Tax – General Article after the adoption of the annual budget by the county fiscal authority may be spent by the county board after approval by the county fiscal authority under paragraph (2) of this subsection.

(2) The county fiscal authority shall approve the amount of funds received by the county board under § 2-608(a)(1) of the Tax – General Article within 30 days after the Comptroller makes the distribution to the county board.

(3) If the county fiscal authority fails to take action within 30 days after the distribution by the Comptroller, the failure to take action constitutes approval.

5–107.

(b) (1) The expenditure for school building construction shall be made in accordance with the cost approved by the county commissioners or county council for each project.

(2) A transfer between major categories or of unexpended project balances is subject to the approval of the county commissioners or county council.

(3) (I) **[If] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, IF** the county commissioners or county council does not take action on a transfer within 30 days after the receipt of a written request substantiating the transfer, the failure to take action constitutes approval.

(II) 1. IN HOWARD COUNTY, IF THE COUNTY COUNCIL FAILS TO TAKE ACTION ON A REQUEST FOR TRANSFER WITHIN 65 DAYS AFTER THE RECEIPT OF A WRITTEN REQUEST SUBSTANTIATING THE TRANSFER, THE FAILURE TO TAKE ACTION CONSTITUTES APPROVAL.

2. THE HOWARD COUNTY COUNCIL MAY APPROVE OR DISAPPROVE A WRITTEN REQUEST FOR TRANSFER IN WHOLE OR IN PART.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.