



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 264

PRINTERS NO. 361

PRIME SPONSOR: Mako

### COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
Municipal Authority Funds	\$0	See "Fiscal Impact"

**SUMMARY:** Amends Title 53 (Municipalities Generally) to add additional fiscal procedures for the collection of monies by municipal authorities. The changes within Section 5612(b)(1) would take effect in 180 days and the remainder of the legislation would take effect in 90 days.

**ANALYSIS:** This legislation amends Title 53 Section 5612 (Money of authority) to require that all monies received by the treasurer, or other designated recipient, must be deposited into a designated account. All monies collected must be remitted in the name of the authority or designated recipient and shall not include the name of an individual.

Additionally, the legislation establishes the following fiscal procedures:

- An authority shall establish procedures to bill customers, collect payments, issue receipts, handle funds received and deposit money in an account or accounts managed by a designated depository; and
- The required annual audit and financial report of the authority shall be presented at a meeting of the authority board, discussed publicly and require an official vote of acceptance.

Section 5612(b)(1) clarifies that every authority that files an annual report with DCED shall file the report no later than 180 days following the end of its fiscal year.

**FISCAL IMPACT:** This legislation would have no adverse fiscal impact on Commonwealth or municipal authority funds. It is presumed that any municipal authority that must change their revenue collection and distribution process, such as changing the name or establishing a new bank account, could do so conveniently without any additional cost.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** February 5, 2019

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*