

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2016 Legislative Session

Reference No.: CB-075-2016
Draft No.: 2
Committee: PSFM
Date: 10/13/2016
Action: FAV (A)

REPORT: 1

Committee Vote: Favorable as Amended, 5-0 (In Favor: Council Members Franklin, Patterson, Harrison, Lehman and Turner)

CB-075-2016 seeks to require the deposit of at least 50% of County funds, as defined in the proposed bill, in county-based, minority, or small banking institutions or depositories with one or more branch locations in the County.

The proposed bill provides authority to the Director of Finance to select the banking institution or depository, in compliance with the definitions established in the proposed bill. The Director is not relieved from ensuring the security of all County Funds on deposit in accordance with the law.

After several discussions with the Office of Finance, several changes were made to the proposed bill.

These changes include a change in the definition of County funds to exclude funds derived from Bond transactions, and include a statement that the bill has to be in compliance with State law and regulations.

During the Committee sessions held October 3rd and October 13th, the following speakers testified in support of the bill: B. Doyle Mitchell, Jr. of Industrial Bank, Stephen Kensinger of Old Line Bank, and David Harrington of the Prince George's Chamber of Commerce

The Office of Audits and Investigations reports that enactment of CB-075-2016 may have a fiscal impact on the County dependent upon the banking institution selected, and the agreed terms of the deposit. As a result, the impact cannot be readily determined at this time.

After two Committee sessions and deliberation, the Public Safety and Fiscal Management Committee voted CB-075-2016 out favorably 5-0 as amended.