

**EXECUTIVE DEPARTMENT -  
BOARDS, COMMISSIONS AND OFFICES  
FISCAL YEAR 2017 OPERATING BUDGET HEARINGS**

**Health and Human Services Subcommittee  
Senate Budget & Taxation Committee  
Senator Richard S. Madaleno Jr., Chair  
February 4, 2016**

**Public Safety and Administration Subcommittee  
House Appropriations Committee  
Delegate Keith E. Haynes, Chair  
February 18, 2016**

**Agency Response to DLS Issues and Recommendation**

**Issues**

In prior years, MSBCA was its own budget assignment, but in the fiscal 2017 budget bill, the MSBCA budget is funded in the Contract Appeals Resolution program within the Executive Department – Boards, Commissions, and Offices (D15A05.24). According to the State Finance and Procurement Article Section 15-206, “The Appeals Board is an independent unit of the Executive Branch of the State government and, except by statute, may not be made a part of another unit of the State government.” **DLS requests that the Administration explain how this transfer of the MSBCA budget to Boards, Commissions, and Offices’ budget is in accordance with statute and why this transfer has occurred, identifying specific cost savings.**

**Agency Response**

Art III, §52(5) of the Maryland Constitution provides that the Governor shall introduce “the Budget classified and in such form and detail as he shall determine or as may be prescribed by law.”

Including the MSBCA as a new program within the Executive Department – Boards, Commissions, and Offices (D15A05.24) is a consolidation for budget and accounting purposes only that facilitates the incorporation of the MSBCA staff into the new Statewide Personnel System (SPS) and enhances the ability of the Governor’s Finance Office to provide all HR, payroll, budget and accounting support needed by MSBCA. Notwithstanding this support, MSBCA will continue to operate as an independent unit of the Executive Branch of State government as required by statute. Please note that this is identical to the budget treatment of the State Labor Relations Boards, which is also an independent unit of State government included within the Executive Department – Boards, Commissions, and Offices.

**Recommended Action**

**Concur with the Governor’s Allowance**

**Agency Response**

**We respectfully support this recommended action.**