

because Maryland Public Television has lost many talented individuals in senior management positions to broadcast outlets, both public and privately owned, in other markets of similar size, due to their inability to offer competitive salaries.

As amended, House Bill 1126 would require that all expenditures and accounts of the Commission, or any affiliated foundation, be subject to audit by the Legislative Auditor. This amendment is redundant in certain respects, and wholly inappropriate.

The accounts and expenditures of the Maryland Public Broadcasting Commission are already subject to audit by the Legislative Auditor. The Maryland Public Broadcasting Foundation is a private, tax-exempt fundraising organization, whose sole purpose is to support the activities of Maryland Public Television. Section 24-207 of the Education Article of the Annotated Code prohibits the Commission from accepting funds from an affiliated foundation unless the fiscal affairs of that foundation are audited annually by an independent certified public accountant. Section 24-207 also requires the certified public accountant to send copies of each annual audit report to the Commission and the Department of Fiscal Services. Thus, the Legislative Auditor currently has the degree of access deemed appropriate by the General Assembly to the fiscal records of the Commission and any affiliated foundation.

I am opposed to House Bill 1126, as amended, because it would subject private corporations, which do not receive appropriations from the General Assembly, to the direct audit authority of the Legislative Auditor. The bill clearly goes beyond the intent of the General Assembly with respect to the authority of the Legislative Auditor over corporations and associations. Section 2-1215 of the State Government Article limits the authority of the Legislative Auditor to "... audit a corporation or association to which the General Assembly has appropriated money from the State treasury". The Maryland Public Broadcasting Commission does not have an affiliated foundation that receives an appropriation from the General Assembly. Moreover, in past years, the General Assembly has rejected several similar attempts to expand the authority of the Legislative Auditor into the fiscal affairs of private entities. Signing House Bill 1126 would establish a precedent that would certainly lead to further attempts to expand the authority of the Legislative Auditor beyond well-established boundaries.

For these reasons, I have vetoed House Bill 1126.

Sincerely,
William Donald Schaefer
Governor

House Bill No. 1126

AN ACT concerning

Maryland Public Broadcasting Commission – Personnel Matters

FOR the purpose of ~~authorizing the Maryland Public Broadcasting Commission to set the salaries, and determine the duties, and add, eliminate, or change the titles of certain management personnel~~ providing that certain employees of the Maryland Public Broadcasting Commission are subject to the Executive Pay Plan; specifying the amount