

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

House Bill 233

(Howard County Delegation)

Ways and Means

Budget and Taxation

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Howard County Public Schools - Funding Accountability and Transparency Act  
Ho. Co. 12-10

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This bill requires the Howard County Board of Education to develop and operate a free, public, searchable web site by January 1, 2012, that includes data on specified board payments of \$25,000 or more.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Local school system expenditures in Howard County will increase by approximately \$2,000 by FY 2012. Revenues are not affected. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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Analysis

**Bill Summary:** The web site to be developed by the Howard County Board of Education must provide information on payments made in fiscal 2011 and each subsequent year. Board payments of \$25,000 or more in aggregate to a single payee in a fiscal year must be included in the web site, excluding payments to Howard County public school employees and retirees as compensation or retirement allowance, respectively.

Information on the web site must include the name and zip code of the payee receiving payment, as well as the amount of payment. The web site must also include a search

function that allows the public to submit queries based on the name and zip code of the payee.

The bill does not require disclosure of information that is confidential under federal, State, or local law. The web site must be operational by January 1, 2012.

**Current Law/Background:** Chapter 659 of 2008, the Maryland Funding Accountability and Transparency Act of 2008, required DBM to develop a free, public, searchable web-based database by January 1, 2009, that includes detailed information on State payments made to vendors of at least \$25,000. Payments to State employees and retirees as compensation or retirement allowance were excluded. This web-based database, providing fiscal 2008 and 2009 information, is complete and available at [www.spending.dbm.maryland.gov](http://www.spending.dbm.maryland.gov). Chapter 659 also required the Chief of Information Technology to conduct a study, by June 30, 2010, of the feasibility and cost of expanding the web site to search by different elements and include information on other forms of assistance in the amount of \$25,000 or more. This study has not been completed to date.

In 2008, the Howard County Council enacted a change to county law requiring the county to have a free, public, and searchable web site. This county web site must be implemented as soon as practical, but no later than June 30, 2010, and include, if practicable, payments made by the county in fiscal 2010. County payments of \$30,000 or more in aggregate to a single payee in a fiscal year must be included in the web site, excluding payments to Howard County employees as salary or wages. Information on the web site must include the name, and, if applicable, the parent entity of the payee receiving payments as well as the amount of the county award, the transaction type, the name of the unit of county government making the award, and the budget program fund source. The web site must also include the location of the payee and the primary location of service performed as well as any other relevant information specified by the county.

The Montgomery County Council enacted a county law in 2009 similar to the one in Howard County that applies to any county payment of \$25,000 or more in aggregate. Chapter 424 of 2009 required the Montgomery County Board of Education to develop and operate a free, public, searchable web site by January 1, 2011, that includes data on specified board payments of \$25,000 or more.

**Local Expenditures:** Howard County estimates that its cost to develop a searchable web site for board of education payments will be approximately \$2,000. The Maryland Department of Information Technology advises that it used existing resources to develop the State's web-based searchable database on payments made to vendors but also advises that the equivalent of approximately \$100,000 in staff time and other resources was involved in programming and development of the web site.

## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Howard County,  
Department of Legislative Services

**Fiscal Note History:** First Reader - February 8, 2010  
mlm/mwc

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