Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 170 (Senator Gallion)

Education, Energy, and the Environment

Appropriations

County Boards of Education - Bid Advertisement Threshold and Electronic Posting of Hearing Notices and Bid Advertisements

This bill requires county boards of education to electronically post hearing information pertaining to the selection of a school site on the local school system website, in addition to in a newspaper of general circulation in the county. In addition, the bill repeals a physical posting requirement and specifies county boards of education can post notice on local school system websites to fulfill the notice requirements for bids on school buildings, improvements, supplies, or equipment above a certain value. The bill makes a technical change to specify that reporting requirements apply to items valued at more than \$100,000. The bill also updates public notification requirements by specifying *eMaryland Marketplace*, instead of *Maryland Contract Weekly*, as an authorized publication. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None. The bill only affects local procurement procedures.

Local Effect: County boards of education can comply with the bill's notice requirements using existing resources.

Small Business Effect: None.

Analysis

Current Law: State law specifies processes that boards of education must follow when procuring school buildings, improvements, supplies, or equipment above a certain value. The \$25,000 threshold specified in § 5-112 of the Education Article differs from the

\$100,000 threshold specified in § 13-109 of the State Finance and Procurement Article. Therefore, according to statute, the State Finance and Procurement Article amount supersedes the amount in § 5-112 of the Education Article.

The procurement process requires that at least two weeks before filing bids for a school building, improvement, supplies, or equipment above a certain value (more than \$100,000), a board of education must advertise for bids in a medium accessible to the general public, including (1) a newspaper of general circulation in the region; (2) the *Maryland Contract Weekly* or comparable State publication; or (3) an electronic posting on a bid board and physical posting on the local school system bid board. Statute includes guidelines for the specifications included in the bid requests.

Contracts for school buildings, improvements, supplies, or equipment must be awarded to the responsible bidder who provides the best value and conforms to the bid specifications, with consideration given to:

- the quantities involved;
- the time required for delivery;
- the purpose for which required;
- the competency and responsibility of the bidder;
- the ability of the bidder to perform satisfactory service;
- the plan for utilization of minority contractors; and
- the price offered by the bidder.

Local Fiscal Effect: Anne Arundel, Charles, Frederick, Montgomery, Prince George's and St. Mary's counties public schools advise that the school boards already post on the *eMaryland Marketplace* for procurements. Frederick, Montgomery, and Prince George's counties public schools also advise that existing procurement processes already involve posting hearing information to the school system website. Other public school systems can post hearing information to school system websites and to *eMaryland Marketplace* as necessary with existing resources.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 291 (Delegate Palakovich Carr) - Appropriations.

Information Source(s): Anne Arundel County Public Schools; Baltimore City Public Schools; Baltimore County Public Schools; Charles County Public Schools; Frederick County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - January 16, 2024

km/hlb Revised - Clarification - January 29, 2024

Third Reader - March 16, 2024

Revised - Amendment(s) - March 16, 2024

Analysis by: Michael E. Sousane Direct Inquiries to:

(410) 946-5510 (301) 970-5510