

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 877

(Delegate Phillips, et al.)

Health and Government Operations

Budget and Taxation

Board of Public Works - Transparency Data Dashboard

This bill requires the Office of the Comptroller to develop and maintain on the Board of Public Works' (BPW) website a procurement transparency dashboard that must (1) be public, interactive, and searchable and (2) include specified information related to State procurement - such as BPW meeting announcements, agendas, and related materials, including contract spending amounts, and State procurement preference programs, as specified. Beginning in fiscal 2025, the Governor must include an appropriation in the annual budget bill for (1) at least one full-time position in the Comptroller's Office to develop and maintain the dashboard and (2) software necessary to develop and maintain the dashboard. The bill takes effect July 1, 2024.

Fiscal Summary

State Effect: General fund expenditures increase by \$170,500 in FY 2025 to develop and maintain the dashboard; out-year costs reflect annualization, ongoing operating costs, and inflation. FY 2025 expenditures are discretionary. General fund expenditures are mitigated to the extent the Comptroller can cover some of the software and development costs with existing resources. No effect on revenues. This bill establishes a mandated appropriation beginning in FY 2026.

Table with 6 columns: (in dollars), FY 2025, FY 2026, FY 2027, FY 2028, FY 2029. Rows include Revenues, GF Expenditure, and Net Effect.

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Chapter 590 of 2017 created the Office of the Chief Procurement Officer (OCPO) within the Department of General Services (DGS). OCPO maintains the [Maryland Procurement](#) website, which includes information on State procurement policies and procedures as well as all procurement preference programs, including the Minority Business Enterprise Program, Small Business Reserve Program, and the Veteran-owned Small Business Enterprise program.

BPW consists of the Governor, Treasurer, and Comptroller, and is authorized by State procurement law to control procurement by State procurement units. However, the board does not have jurisdiction over (1) capital expenditures by the Maryland Department of Transportation or the Maryland Transportation Authority related to roads, bridges, or highways or (2) procurements by DGS valued at less than \$1.0 million for cybersecurity. In general, BPW meets biweekly to review and approve contracts, except commodities contracts, exceeding \$200,000 in value. [BPW's website](#) includes information on all BPW meetings, including meeting agendas, board actions, meeting minutes, approved contracts, and archived video footage of each meeting. However, the agendas are not searchable by item.

Chapter 659 of 2008, the Maryland Funding Accountability and Transparency Act, created the [Maryland Transparency Portal](#), a searchable website that includes all State payments of at least \$25,000, sortable by payee, agency making the payment, and zip code of the payee. Originally containing only contract payments, the website was expanded in fiscal 2010 and 2011 to include grant and loan payments, respectively.

State Expenditures: The bill requires an appropriation in fiscal 2025 sufficient to employ at least one full-time information technology (IT) administrator and for related software costs. However, the General Assembly cannot mandate funding in the following fiscal year, so funding for fiscal 2025 is discretionary.

The Office of the Comptroller advises that it requires the position mandated by the bill to oversee the development of the dashboard and to maintain it once it is operational. It also estimates the software and related IT costs of developing and maintaining the transparency dashboard to be \$100,000 annually.

Therefore, general fund expenditures increase by \$170,544 in fiscal 2025, which accounts for a 90-day start-up delay from the bill's July 1, 2024 effective date. This estimate reflects the cost of hiring one IT administrator to oversee the development of the dashboard and then maintain it. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses, including software and programming costs of \$100,000 annually.

Position	1.0
Salary and Fringe Benefits	\$63,288
Software and Programming	100,000
Other Operating Expenses	7,256
Total FY 2025 Expenditures	\$170,544

Future year expenditures reflect a salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

The Office of the Comptroller advises that it may be able to cover a portion, but not all, of the IT costs with existing resources. To the extent that it has resources available to cover some costs, general fund expenditures are mitigated.

Additional Information

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

Designated Cross File: SB 703 (Senators Hayes and Charles) - Budget and Taxation.

Information Source(s): Comptroller's Office; Department of General Services; Board of Public Works; Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2024
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