

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1227 (Delegate Proctor)

Ways and Means

Education - Procurement - Advertisement for Bids - Internet

This bill authorizes a local board of education to advertise for bids for contracts in excess of \$15,000 on the Internet instead of in a newspaper. Under current law, local boards must advertise for such bids in at least one newspaper of general circulation in the county. This bill takes effect July 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal decrease in local school expenditures. Revenues would not be affected.

Small Business Effect: Minimal. Private contractors that rely solely on newspaper advertisements for school contracts and who do not have access to the Internet may be negatively affected if they become unaware of pending school contracts that are disclosed only on the Internet.

Fiscal Analysis

Local Effect: Under current law, local school systems must advertise for bids for contracts in excess of \$15,000 in at least one newspaper of general circulation in the county. Each newspaper advertisement costs between \$25 and \$50; whereas the cost of posting an advertisement for bids on a school system's web page is assumed to be negligible. All of the State's 24 school districts either have their own Internet web site or have access to a web site established by the county government. Accordingly, local school systems' expenditures would decrease by posting contract bids on the Internet. In Carroll County, the school system would save approximately \$7,300 by not having to advertise in local newspapers; whereas

the Prince George's County Public School System would save over \$22,000.

Information Source(s): Maryland Association of Boards of Education, Carroll County Public Schools, Prince George's County Public Schools, Department of Legislative Services

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