

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

House Bill 841
Ways and Means

(Montgomery County Delegation)

Budget and Taxation

**Montgomery County Public Schools - Funding Accountability and Transparency
Act
MC 930-09**

This bill requires 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.

Fiscal Summary

State Effect: None.

Local Effect: Local school system expenditures in Montgomery County will increase by up to \$50,000 by FY 2011. Revenues are not affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Bill Summary: The web site to be developed by the Montgomery County Board of Education must provide information on payments made in fiscal 2010 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 Montgomery 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, 2011.

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 information, is complete and available at 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.

On February 24, 2009, the Montgomery County Council enacted a change to county law, effective September 1, 2010, requiring the county to develop and operate a free, public, and searchable web site. This county web site must provide information on payments made by the county in fiscal 2011 and each subsequent year. County 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 Montgomery County employees and retirees as compensation or retirement pension, respectively. Information on the web site must include the name and zip code of the payee receiving payment, as well as the amount of total payments in a fiscal year and the name of the county department or office making the payment. The web site must also include a search function that allows the public to submit queries by fiscal year based on the name and zip code of the payee and by the county department or office making the payment.

Local Expenditures: The Montgomery County Board of Education uses Oracle E-Business Suite enterprise resource planning software as its financial information system platform. The board advises that this software can be updated to aggregate payments and advises that it should be able to do so by January 1, 2011. The board further advises that depending on the timing of implementation and other factors it may use current staff time to implement the bill or it may hire a consultant at an estimated cost of \$50,000.

Montgomery County estimates that its cost for developing a searchable web site for county payments will be in the \$35,000 to \$50,000 range. 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): Montgomery County, Maryland Department of Information Technology, Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2009
mam/mwc Revised - House Third Reader - March 27, 2009

Analysis by: Scott P. Gates

Direct Inquiries to:
(410) 946-5510
(301) 970-5510