

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 389 (Senator Shank, *et al.*)
Budget and Taxation

Maryland Funding Accountability and Transparency Web Site - State Loans

This bill requires the Department of Information Technology (DoIT) to include information about loans of \$25,000 or more on the Maryland Funding Accountability and Transparency website.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: The bill's requirements can be absorbed within existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 659 of 2008, the Maryland Funding Accountability and Transparency Act of 2008, required the Department of Budget and Management (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 through 2010 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 website to search by different elements and include information on other forms of assistance in the amount of \$25,000 or more. This study

was not completed, and DoIT reports that it is unnecessary due to the enactment of Chapters 558 and 559 of 2009.

In the 2009 session, a separate law was enacted, creating § 7-406 of the State Finance and Procurement Article, to require reporting on State grants of \$50,000 or more. Chapters 558 and 559 of 2009 require DoIT to develop and operate a searchable website, accessible to the public at no cost, which provides grantee report information in a specified format. This requirement was implemented with DoIT's existing staff resources. This web-based database, providing fiscal 2009 and 2010 information, is complete and available at <http://dbm.maryland.gov/agencies/operbudget/Pages/grantspayments.aspx>. Recently, the information available on this website was expanded to include fiscal 2010 loans of \$50,000 or more. The website's data represent cumulative, annual grant and loan amounts, generally to businesses and other organizations.

DoIT, created by Chapter 9 of 2008, is responsible for information technology (IT) matters across State agencies. The former DBM Office of Information Technology and the Major Information Technology Development Fund were consolidated into DoIT. The mission of DoIT is to provide IT leadership to the Executive Branch in order to effectively oversee and manage State IT resources. DoIT is also responsible for coordinating, purchasing, and managing all telecommunications devices and systems utilized by State agencies.

Additional Comments: DBM advises the bill requires DBM and State agencies to track and report on a greater number of loans, resulting in a workload increase. Furthermore, DBM advises that requiring reports on grants of at least \$50,000 and loans of at least \$25,000 is somewhat inconsistent and may lead to confusion.

Additional Information

Prior Introductions: HB 174 of 2010 received an unfavorable report from the House Health and Government Operations Committee.

Cross File: HB 638 (Delegate W. Miller, *et al.*) - Health and Government Operations.

Information Source(s): Department of Budget and Management, Department of Information Technology, Department of Legislative Services

Fiscal Note History: First Reader - February 21, 2011
mc/rhh

Analysis by: Amanda Mock

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