

**Department of Legislative Services**  
Maryland General Assembly  
2012 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 802

(Prince George's County Delegation)

Ways and Means

Education, Health, and Environmental Affairs  
and Budget and Taxation

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**Education - Prince George's County School Board Budgets - Transparency**  
**PG 410-12**

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This bill alters the requirements for a website that the Prince George's County Board of Education must develop and operate by January 1, 2013. The bill requires the website to include specified budget data and to allow users to search for data on the website by individual school. Budget data beginning with fiscal 2013 and for each subsequent year must be included on the website.

The bill takes effect July 1, 2013.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County expenditures will increase by approximately \$20,000 in FY 2013 for website database programming. Additional ongoing expenditures in subsequent years will be minimal. Revenues are not affected.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapters 488 and 489 of 2011 require the Prince George's County Board of Education to develop and operate a free, public, searchable website that includes data on specified board payments of \$25,000 or more. The website must provide information on payments made in fiscal 2012 and each subsequent year. School board payments of

\$25,000 or more in aggregate to a single payee in a fiscal year must be included in the website, excluding payments to Prince George's County public school employees and retirees as compensation or retirement allowance, respectively. Information on the website must include the name and zip code of the payee receiving payment, as well as the amount of payment. The website must also include a search function that allows the public to submit queries based on the name and zip code of the payee. Disclosure of information that is confidential under federal, State, or local law is not required. The website must be developed and operational by January 1, 2013.

### *Public School Budgets*

Section 5-101 of the Education Article requires annual public school budgets to be prepared according to specified major categories as well as any other categories specified by the State Board of Education. With the annual budget, each local board of education must provide the number of full-time equivalent positions included within each major category as well as a description of moneys held by any outside source that are undesignated and unreserved and under the direction and control of the local board of education.

County fiscal authorities may require the local board to provide details to the service areas and activities levels in the account structure within the *Financial Reporting Manual for Maryland Public Schools*. The budget document must also contain an addendum showing estimated expenditures for special education as defined by the manual.

Under Section 5-101, in addition to other budget requirements, the Prince George's County Board of Education must provide to the county executive and county council with the annual budget, information relating to each of the following categories: instructional supplies and materials; additional equipment; and replacement equipment. For these categories, the following information must be provided for the public school system in the county:

- proposed expenditures for the next school year based on the annual budget;
- estimated expenditures for the current school year; and
- actual expenditures for the prior school year.

**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 2011 information, is complete and available at <http://spending.dbm.maryland.gov>.

Chapters 558 and 559 of 2009 required State government units and other State entities to submit a report to DBM by September 1 after each fiscal year they provide a contribution, grant, or subsidy of \$50,000 or more to a grantee that is either a for-profit or nonprofit entity. The Maryland Department of Information Technology must develop and operate a searchable website, accessible to the public at no cost, which provides grantee report information in a specified format.

Chapter 424 of 2009 required the Montgomery County Board of Education to develop and operate a free, public, searchable website by January 1, 2011, that includes data on specified board payments of \$25,000 or more.

Chapter 399 of 2010 required the Howard County Board of Education to develop and operate a free, public, searchable website by January 1, 2012, that includes data on specified board payments of \$25,000 or more for fiscal 2011 and each subsequent year.

**Local Expenditures:** Prince George's County advises that annual expenditures for the searchable website, including provisions of current law, will total approximately \$80,000. Of this amount in fiscal 2013, approximately \$20,000 results from the provisions of this bill. Additional ongoing expenditures are expected to be minimal.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Prince George's County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 9, 2012  
ncs/hlb Revised - House Third Reader - March 27, 2012

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