



MONTGOMERY COUNTY BOARD OF EDUCATION

Expanding Opportunity and Unleashing Potential

15 West Gude Drive ♦ Suite 100 ♦ Rockville, Maryland 20850

BILL: Senate Bill 646

TITLE: Public School System Contracts - Prohibited Provisions

DATE: April 1, 2026

POSITION: Support

COMMITTEE: Ways and Means

CONTACT: Patricia Ursprung, Coordinator, Legislative Affairs

The Montgomery County Board of Education (Board) supports Senate Bill 646, as amended by the Education, Energy, and the Environment Committee.

This bill would prohibit certain provisions from being included in public school system contracts and result in the specified prohibited provisions being void if they are included in a contract.

In 2024, the general assembly passed a bill that explicitly prohibits certain contract provisions from applying to State agencies, including University System of Maryland. The contract terms that are prohibited include, for example, language requiring the entity to indemnify the vendor, designation of a venue for disputes outside of Maryland, automatic renewals, and terms and conditions that are electronically accepted by an employee who does not have authority to bind the entity (i.e. “click through” agreements). Senate Bill 646 looks to extend these protections to public schools in Maryland. Doing so will streamline contract negotiations with vendors, allowing valuable resources – time and money – to be dedicated to other tasks.

The desired outcome of streamlining contract negotiations with vendors is not merely conceptual. The deputy general counsel at University of Maryland reports that the 2024 law greatly streamlined their contract negotiations and has resulted in significantly fewer issues getting escalated to their general counsel's office. The same will occur if Senate Bill 646 is enacted. Rather than spending staff time negotiating standard boilerplate provisions or requesting that vendors remove them, school systems will be able to rely on clear statutory authority and move forward with confidence. They can accept agreements knowing that the terms included in Senate Bill 646 that are unfavorable to Maryland public schools will be unenforceable. This clarity simplifies negotiations, eases administrative workload, and enables routine and time-sensitive transactions to proceed without delay or unnecessary use of public resources.

Because of the various benefits of this legislation, the Montgomery County Board of Education recommends issuing a **favorable** report on Senate Bill 646, as amended.