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BILL: House Bill 116
TITLE: Education - Agreements, Procurement Contracts, and Memoranda of Understanding - Reporting and Publication
HEARING DATE: January 29, 2026
POSITION: UNFAVORABLE
COMMITTEE: Ways and Means
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The Maryland Association of Boards of Education (MABE), representing all of the State's local boards of education, respectfully **opposes HB 116 Education - Agreements, Procurement Contracts, and Memoranda of Understanding - Reporting and Publication**. While MABE shares the General Assembly's commitment to transparency and responsible stewardship of public resources, school systems already provide substantial public access to procurement information. HB 116, in practice, does not improve transparency in a way that is workable, legally sound, and respectful of local governance structures.

Vendor Contracts Contain Extensive Confidential and Proprietary Information

School system procurement contracts often contain a significant amount of confidential and proprietary information. These contracts may include, among other things: proprietary pricing formulas and negotiated cost structures; competitive business information; and student data protection provisions and security safeguards. Although HB 116 includes language intended to exempt information that is prohibited from disclosure by law, the practical reality is that posting contracts wholesale creates substantial risk for local school systems. Determining what must be redacted requires careful legal review and technical expertise, and even inadvertent disclosure could expose a school system to legal liability or compromise student data and system security. Moreover, the requirement to publicly post full contracts may discourage vendors from contracting with school systems. These unintended consequences ultimately affect students and taxpayers.

Local boards already comply with the Maryland Public Information Act (MPIA), which strikes a careful balance between public access and the protection of confidential information. HB 116 disrupts that balance by mandating proactive disclosure on a scale that significantly increases risk without a corresponding public benefit.

School Systems Are Already Working Toward Increased Transparency & HB 116 Duplicates Existing Vendor Payment Reporting

There are multiple reporting requirements already in place for local school systems that mandate this information to be made publicly available. Section 17-502 of the State Finance and Procurement Article requires LEAs to report contract awards over \$50,000 on eMaryland Marketplace Advantage, a public State procurement website. In addition, Education Article Section 5-115 requires local school systems to report to the Department of Budget and Management all expenditures exceeding \$25,000, and to be posted on the State's Open Data Portal. Moreover, many school systems go further in expanding public access to procurement information. For example, Montgomery County Public Schools has published its [procurement manual](#) and all of its [awarded contracts](#) on its website to increase transparency and accountability to the public. Montgomery County Public Schools also publishes annual vendor payment information on its [Funding Accountability and Transparency](#) site, where payments of \$25,000 or more are searchable by vendor and fiscal year. [Howard County Public Schools' Funding Accountability and Transparency](#) page allows the public to view vendor payments by fiscal year for vendors receiving \$25,000 or more. Adding another reporting requirement is duplicative and unnecessary. This redundancy does not meaningfully enhance public understanding; instead, it diverts limited administrative resources away from instructional priorities and student services. In an environment where school systems are already stretched thin, adding duplicative reporting requirements is neither efficient nor necessary.

Procurement Thresholds Differ for Legitimate Reasons

Local boards of education in Maryland adopt and implement their own procurement policies that reflect differences in district size, purchasing volume, staffing capacity, and operational needs. Mandating identical reporting and posting requirements ignores these differences and penalizes systems that are already acting in good faith to improve transparency. For example, [Baltimore County Public Schools](#) requires formal bids for procurements of \$50,000 or more, while [Howard County Public School System's policy](#) sets informal quote requirements at \$10,000 and above and formal solicitation requirements at \$50,000 and above. These locally adopted thresholds and procedures demonstrate that procurement practices vary across local school systems in ways consistent with local governance authority under State law. HB 116 does not adequately account for these differences. Treating all procurement contracts and agreements as functionally equivalent ignores the reality of how school systems operate.

Memoranda of Understanding Serve Distinct Purposes

Memoranda of Understanding (MOUs) are often used for purposes that are fundamentally different from procurement contracts. MOUs are often utilized for: interagency cooperation; shared services arrangements; and programmatic collaborations that do not involve traditional procurement. Requiring MOUs to be reported and posted in the same manner as vendor contracts conflates distinct legal instruments and creates confusion rather than clarity. In many cases, MOUs do not involve payments, competitive bidding, or vendor relationships at all, yet HB 116 would subject them to the same reporting requirements.

Significant Administrative Burden Without Resources

HB 116 would require school systems to identify, review, redact, post, and continuously update a large volume of agreements, contracts, and MOUs, while also producing new annual reports. These tasks require staff time, legal review, and technical infrastructure that many LEAs—particularly smaller and rural systems—simply do not have. The bill does not provide funding, staffing support, or a centralized statewide system to facilitate compliance. As a result, the administrative burden will fall directly on local school systems, diverting resources away from classrooms and students.

Erosion of Local Board Authority

Local boards of education are the governing bodies responsible for procurement, fiscal oversight, and accountability to their communities. HB 116 shifts decision-making and reporting control away from locally accountable boards and toward a prescriptive statewide mandate, undermining long-standing principles of local governance embedded in Maryland's education system.

Conclusion

MABE respectfully opposes HB 116 because it is duplicative and administratively burdensome, while creating risks related to confidentiality and procurement efficiency. Transparency in school system spending already exists, and this bill does not meaningfully enhance it in a way that justifies its costs and consequences. For these reasons, MABE urges the Committee to issue an unfavorable report on House Bill 116. MABE remains committed to working with the General Assembly on targeted, practical approaches that strengthen transparency while preserving local governance and protecting student and system interests.