



HB355 PUBLIC ETHICS LAW - SCHOOL BOARDS - DISCLOSURES AND REQUIREMENTS (SCHOOL SYSTEM ETHICS AND TRANSPARENCY ACT OF 2019)

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WAYS AND MEANS COMMITTEE

OPPOSE

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The Board of Education of Anne Arundel County opposes **HB355 Public Ethics Law - School Boards - Disclosures and Requirements (School System Ethics and Transparency Act of 2019)**. This bill repeals the requirement that county boards of education develop and maintain a funding accountability website, and requires each county board of education to report certain financial information as set forth in the bill to the Department of Budget and Management (DBM) beginning January 1, 2020. The bill requires DBM to post information online and prohibits the official custodian of these documents from charging a fee for documents requested by a county board of education under certain circumstances

The Board of Education of Anne Arundel County supports strong accountability and transparency for school systems. This proposed legislation would impose a series of financial reporting and ethics disclosure requirements for county boards of education and school systems in the State. The proposed requirements are extremely prescriptive, more stringent than those required by any other local government entity, and exceed what is already required by the State Ethics Commission. This legislation would result in an unfunded mandate for something that is already covered under existing State requirements. HB355 requires county boards of education to adopt conflict of interest regulations for all employees, including Board members. However, this bill is unnecessary because county boards of education and local school systems are already required to comply with State ethics laws and requirements. In fact, AACPS Policy BAF – Ethics and Conflict of Interest specifically follows the extremely detailed reporting requirements established by the State Ethics Commission. The policy requires Board members, the Superintendent, the Superintendent’s Executive Team, and other identified staff to file a detailed financial disclosure form each year. In addition, the policy also requires certified administrative supervisory employees or any employee who has the authority to purchase goods and services in excess of \$100,000 a year to fill out a shorter financial disclosure form each year.

AACPS is also required to post all payments to vendors on our website. Given that this requirement is already in State law, this section of the proposed legislation is also unnecessary and would take staff time to develop a separate report for information that can already be identified on our website. The new requirements established under this legislation would increase time and material costs to manage and store over 10,000 financial disclosure forms annually.

While it is difficult to quantify the actual cost at this time, AACPS would have to hire temporary staff to manage the increased volume of financial disclosure forms that would be a result of the legislation. Additional costs would include printing and storage costs.

Accordingly, the Board of Education of Anne Arundel County respectfully requests an **UNFAVORABLE** committee report on HB355.