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Top transparency bills

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Amid the muck of many nonessential and deficit-expanding bills dominating the state legislative session, two transparency bills stand out.

House Bill 160 would require the Baltimore County Board of Education to create a searchable website of all county education spending. Delegates Stephen Lafferty (D-42), Susan Aumann (R-42), Joseph Boteler (R-8), Jon Cardin (D-11), John Cluster (R-8), Steven DeBoy (D-12A), William Frank (R-42), A. Wade Kach (R-5B), Dan Morhaim (D-11), Dana Stein (D-11), and Michael Weir (D-6) deserve praise for sponsoring it.

Every county delegation should sponsor a similar bill because it is the only way to understand how much taxpayers direct to schools. Public education is by far the largest item in the state budget, but it is incredibly difficult to discern the real amount spent per pupil because debt payments, employee benefits and capital spending are frequently absent from official figures. Plenty of bond bills, which should be known as earmarks, also direct money to individual schools but are not officially counted.

Adam Schaeffer of the free-market Cato Institute analyzed the school budgets of the country's five largest metro areas plus Washington and found that spending in those places was on average 44 percent higher than officially reported. His March 2010 report found that real spending in Washington was 61 percent higher than stated; 22 percent higher in Arlington, Va.; 17 percent higher in Prince George's County.

As noted in previous columns, education spending is expanding at the cost of every other item in the budget at the same time advocates of sending more money to schools clamor even louder for aid. It only makes sense to expose the real numbers so that Maryland taxpayers and legislators can make an informed decision about how to spend limited funds.

The other bill that would help taxpayers save money and prevent political favoritism is Senate Bill 389/House Bill 174. The list of sponsors from both political parties is too long to list here, but can easily be accessed at http://mlis.state.md.us/.

The legislation would create a searchable database of loans over $25,000 given by state taxpayers to businesses. The state already lists grants, so no new technology should be required to add the information to the existing website. But there should be no financial objections as an Excel spreadsheet could serve as a transition option.

Right now the names of people and businesses receiving loans, the amount and terms are shielded from public view. It's also nearly impossible to find out how many have defaulted and whether the state tried to recover lost funds. The Senator Theatre in Baltimore is an excellent example of why loans should be made public. After defaulting on a nearly $400,000 loan, the Department of Housing and Community Development gave the owner almost $400,000 more. Taxpayers in Baltimore then picked up about $1 million on another loan. Scrutiny of the project would have made it much harder to throw money down the drain.

Maryland taxpayers have different priorities and should debate them. These bills would make it possible to have an honest and open conversation about how to spend money.

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