# **Department of Legislative Services** Maryland General Assembly

2015 Session

# FISCAL AND POLICY NOTE

Senate Bill 396 (Senator Pugh) Education, Health, and Environmental Affairs

### Procurement - Prospective Responsible Bidders or Offerors - Transitioning to Be Prime Contractors

This bill prohibits State procurement units from (1) placing unreasonable requirements on prospective bidders or offerors; (2) drafting specifications requiring unnecessary experience; or (3) drafting specifications requiring excessive bonding.

### **Fiscal Summary**

**State Effect:** None. The bill's provisions reflect current standards of procurement practice by State agencies.

Local Effect: None.

Small Business Effect: None.

### Analysis

**Current Law:** When a procurement is based on competitive sealed bids, the invitation for bids must include the specifications for the contract, including the expected degree of minority business enterprise (MBE) participation. When a procurement is based on competitive sealed proposals, the request for proposals must include (1) the scope of the contract, including the expected degree of MBE participation; (2) the factors, including price, that will be used in evaluating proposals; and (3) the relative importance of each factor.

In drafting specifications for a bid or proposal, a procurement unit must (1) encourage maximum practicable competition without modifying the State's requirements and (2) not draft specifications that favor a single prospective bidder or offeror.

# **Additional Information**

Prior Introductions: None.

Cross File: HB 279 (Delegate B. Robinson) - Health and Government Operations.

**Information Source(s):** Department of Budget and Management, Department of General Services, University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2015 min/ljm

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