

# HOUSE BILL 129

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CF SB 30

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By: ~~Delegate Morhaim~~ Delegates Morhaim, Hammen, Pendergrass, Angel, Barron, Bromwell, Cullison, Hayes, Hill, Kelly, Kipke, Krebs, McDonough, McMillan, Miele, Morgan, Oaks, Pena-Melnyk, Reznik, Saab, Sample-Hughes, West, and K. Young

Introduced and read first time: January 26, 2015

Assigned to: Health and Government Operations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 4, 2015

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## CHAPTER \_\_\_\_\_

AN ACT concerning

### **Procurement – Veteran-Owned Small Business Enterprise Participation – Award of Contracts**

FOR the purpose of requiring a unit awarding a ~~contract with a certain expected goal of veteran-owned small business enterprise participation to award the contract in accordance with certain provisions of law to a certain bidder or offeror that meets or makes a good faith effort to meet the expected goals~~ contract with a certain goal of veteran-owned small business participation to comply with certain requirements depending on the type of procurement being conducted; and generally relating to veteran-owned small business enterprise participation in State procurements.

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 14-602  
Annotated Code of Maryland  
(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 14-603  
Annotated Code of Maryland  
(2009 Replacement Volume and 2014 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – State Finance and Procurement**

14–602.

(a) Beginning July 1, 2012, a unit shall structure procurement procedures, consistent with the purposes of this subtitle, to try to achieve an overall minimum of 0.5% of the unit's total dollar value of procurement contracts to be made directly or indirectly with veteran-owned small business enterprises.

(b) Solicitation documents shall establish the expected degree of veteran-owned small business enterprise participation based, in part, on:

(1) the potential subcontract opportunities available in the procurement contract; and

(2) the availability of veteran-owned small business enterprises to respond competitively to the potential subcontract opportunities.

(c) The provisions of this subtitle do not apply to a unit's procurement procedures to the extent that any unit determines that those provisions are in conflict with an applicable federal program.

~~14–603.~~

~~A unit AWARDING A CONTRACT WITH AN EXPECTED GOAL OF VETERAN OWNED SMALL BUSINESS ENTERPRISE PARTICIPATION AS ESTABLISHED UNDER THIS SUBTITLE shall award the contract IN ACCORDANCE WITH § 13-103(E) OF THIS ARTICLE to [the] A responsible bidder [that submits the lowest responsive bid, or responsible] OR offeror [proposing the most advantageous offer,] that meets or makes a good faith effort to meet [any applicable goal established under this subtitle] THE EXPECTED GOAL.~~

14–603.

(A) [A] FOR PROCUREMENTS CONDUCTED BY COMPETITIVE SEALED BIDDING, A unit shall award the contract to the responsible bidder that submits the [lowest] responsive bid[, or responsible offeror proposing the most advantageous offer,] that:

(1) HAS THE LOWEST BID PRICE;

(2) HAS THE LOWEST EVALUATED BID PRICE; OR

**(3) FOR PROCUREMENTS SUBJECT TO § 11-202(3) OF THIS ARTICLE, IS THE BID MOST FAVORABLE TO THE STATE; AND**

**(4) meets or makes a good faith effort to meet any applicable goal established under this subtitle.**

**(B) FOR PROCUREMENTS CONDUCTED BY COMPETITIVE SEALED PROPOSALS, A UNIT SHALL AWARD THE CONTRACT TO THE RESPONSIBLE OFFEROR:**

**(1) PROPOSING THE MOST ADVANTAGEOUS OFFER; AND**

**(2) THAT MEETS OR MAKES A GOOD FAITH EFFORT TO MEET ANY APPLICABLE GOAL ESTABLISHED UNDER THIS SUBTITLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2015.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.