

HOUSE BILL 894

P2

0lr0746

By: **Delegate Crosby**

Introduced and read first time: February 3, 2020

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **State Procurement – Microbusiness Payment Pilot Program**

3 FOR the purpose of establishing a Microbusiness Payment Pilot Program to expedite
4 payments to certain microbusinesses under a State procurement contract for
5 supplies or services made by or on behalf of certain units of State government;
6 requiring a certain unit to make a payment under certain State procurement
7 contracts to a microbusiness within a certain number of days after the payment
8 becomes due; providing for the application of this Act; providing for the termination
9 of this Act; defining certain terms; and generally relating to State procurement and
10 the Microbusiness Payment Pilot Program.

11 BY adding to

12 Article – State Finance and Procurement

13 Section 15–113

14 Annotated Code of Maryland

15 (2015 Replacement Volume and 2019 Supplement)

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

18 **Article – State Finance and Procurement**

19 **15–113.**

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
21 INDICATED.

22 (2) “MICROBUSINESS” MEANS AN ENTITY THAT HAS 15 OR FEWER
23 FULL–TIME EQUIVALENT EMPLOYEES DURING THE TIME THE ENTITY IS PROVIDING
24 SUPPLIES OR SERVICES UNDER A PROCUREMENT CONTRACT SUBJECT TO THE

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 PROGRAM.

2 (3) "PROGRAM" MEANS THE MICROBUSINESS PAYMENT PILOT
3 PROGRAM.

4 (B) (1) THERE IS A MICROBUSINESS PAYMENT PILOT PROGRAM.

5 (2) THE PROGRAM APPLIES ONLY TO PROCUREMENT CONTRACTS
6 FOR SUPPLIES OR SERVICES MADE BY OR ON BEHALF OF:

7 (I) THE HISTORIC ST. MARY'S CITY COMMISSION; OR

8 (II) ST. MARY'S COLLEGE OF MARYLAND.

9 (3) THE PURPOSE OF THE PROGRAM IS TO EXPEDITE PAYMENTS
10 UNDER A STATE PROCUREMENT CONTRACT TO MICROBUSINESSES.

11 (C) NOTWITHSTANDING ANY OTHER LAW, A UNIT SHALL MAKE A PAYMENT
12 UNDER A PROCUREMENT CONTRACT SUBJECT TO THE PROGRAM TO A
13 MICROBUSINESS NOT LATER THAN 7 DAYS AFTER THE DAY ON WHICH THE PAYMENT
14 BECOMES DUE UNDER THE CONTRACT.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2020. It shall remain effective for a period of 5 years and, at the end of September
17 30, 2025, this Act, with no further action required by the General Assembly, shall be
18 abrogated and of no further force and effect.