HOUSE BILL 352

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**By: Delegate Poole (Governor's Task Force on Procurement) and Delegates Benson,
Clagett, Dypski, and Snodgrass**
Introduced and read first time: January 26, 1996
Assigned to: Commerce and Government Matters

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A BILL ENTITLED

1 AN ACT concerning

2   **State Procurement - Small Procurement Process - Threshold**

3 FOR the purpose of modifying the threshold governing small procurementsto increase
4   the value of certain State procurement contracts in which a less formal process may
5   be employed.

6 BY repealing and reenacting, with amendments,
7   Article - State Finance and Procurement
8   Section 13-109
9   Annotated Code of Maryland
10   (1995 Replacement Volume and 1995 Supplement)

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

13   **Article - State Finance and Procurement**

14 13-109.

15   (a) In this section, "small procurement" means a procurement for which:

16   (1) a unit spends [$10,000] $25,000 or less; or

17   (2) a contractor provides services subject to § 11-202(3) of this article for
18 expected annual revenues of [$10,000] $25,000 or less.

19   (b) A unit may make small procurements in accordance with the regulations of
20 primary procurement units.

21   (c) A primary procurement unit may not create a small procurement byartificial
22 division of a procurement.

23   (d) Any regulation of a primary procurement unit to govern small procurements:

24   (1) shall provide for a simplified administrative procedure;

25   (2) shall be consistent with the basic intent of this Division II; and

26   (3) may not be disadvantageous economically to the State.

1   (e) At least every 3 years, the Board shall:

2   (1) review the prevailing costs of labor and materials; and

3   (2) if warranted by changes in cost, recommend to the General Assembly
4 appropriate adjustments in the ceiling for a small procurement.

5   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 1996.