

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 142 (Calvert County Delegation)
Commerce and Government Matters

Calvert County - Competitive Bidding - Exception

This bill allows Calvert County to award purchases based on federal contracts that are established by a legal competitive process without complying with the bidding procedures that would otherwise be required.

Fiscal Summary

State Effect: None.

Local Effect: Indeterminate decrease in Calvert County expenditures. Revenues would not be affected.

Small Business Effect: Potential minimal impact on small businesses as discussed below.

Fiscal Analysis

Local Expenditures: To the extent that Calvert County makes purchases based on federal contracts, administrative costs for contracting could decrease. In addition, if the contract being used has better terms than what the county could find independently, expenditures due to contract prices could decrease. Any such decreases cannot be reliably estimated at this time.

Small Business Effect: This bill may result in a shift in procurements to federal contractors from State or local contractors. However, due to the importance of federal contracting on Maryland's economy (the federal government spent \$8.9 billion on contracts

through Maryland companies in fiscal 1995), it is possible that there will be no negative effect on Maryland's small businesses. Further, any impact is expected to be minimal since this bill applies only to Calvert County.

Additional Comments: Federal authorization for state and local governments to use the U.S. General Services Administration Federal Supply Schedules is on hold pending the completion of a U.S. General Accounting Office review, due in February 1997.

Information Source(s): Calvert County; October 27, 1996 Baltimore Sun article (U.S. General Services Administration's Federal Procurement Data Center); Department of Fiscal Services

Fiscal Note History: First Reader - January 21, 1997
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