

HOUSE BILL 980

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P2
HB 1048/95 - APP

1998 Regular Session
8r1282

By: **Delegate C. Mitchell**

Introduced and read first time: February 13, 1998
Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 Procurement - Service Contracts - Standards for Privatization

3 FOR the purpose of establishing standards and procedures for procurement of services that are currently provided by a unit of State government; requiring an invitation for bids under this Act to contain certain information; requiring the Board of Public Works to make a certain certification before approving a contract under this Act; prohibiting certain State employees from accepting certain employment for a certain period of time; and generally relating to proposed procurement contracts for services currently provided by State government.

4 BY adding to

5 Article - State Finance and Procurement
6 Section 12-110
7 Annotated Code of Maryland
8 (1995 Replacement Volume and 1997 Supplement)

9 BY repealing and reenacting, with amendments,

10 Article - State Government
11 Section 15-503
12 Annotated Code of Maryland
13 (1995 Replacement Volume and 1997 Supplement)

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

15 Article - State Finance and Procurement

16 12-110.

17 (A) THIS SECTION APPLIES TO A PROPOSED PROCUREMENT CONTRACT FOR SERVICES THAT ARE CURRENTLY PROVIDED BY A UNIT UNDER ITS PUBLIC AUTHORITY.

18 (B) (1) A CONTRACT UNDER THIS SECTION SHALL BE BASED ON COMPETITIVE SEALED BIDS.

19 (2) AN INVITATION FOR BIDS UNDER THIS SUBSECTION SHALL:

20 (I) STATE THE WAGES TO BE PAID UNDER THE CONTRACT; AND

21 (II) REQUIRE THE CONTRACTOR TO:

22 1. PROVIDE HEALTH INSURANCE FOR EMPLOYEES WHO WORK MORE THAN
23 20 HOURS PER WEEK;

23 2. STATE THE CONTRACTOR'S NEUTRALITY CONCERNING AN EMPLOYEE'S
24 RIGHT TO COLLECTIVE BARGAINING;

24 3. OFFER JOBS TO QUALIFIED EMPLOYEES OF THE UNIT WHO WILL BE
25 TERMINATED AS A RESULT OF THE CONTRACT; AND

25 4. COMPLY WITH STATE AND FEDERAL LAW REGARDING EMPLOYEE RIGHTS,
EQUAL EMPLOYMENT OPPORTUNITY, AND NONDISCRIMINATION.

26 (3) WAGES PAID UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL BE THE LESSER OF:

27 (I) THE AVERAGE PRIVATE SECTOR WAGE FOR COMPARABLE WORK, AS
DETERMINED BY THE DEPARTMENT OF LEGISLATIVE SERVICES; AND

28 (II) IN THE STANDARD PAY PLAN, THE STEP 1 WAGE WITHIN THE GRADE AT WHICH
THE POSITION WOULD BE CLASSIFIED IF THE JOB WAS PERFORMED BY A PUBLIC EMPLOYEE.

29 (4) HEALTH INSURANCE PROVIDED UNDER PARAGRAPH (2)(II)1 OF THIS SUBSECTION SHALL
INCLUDE IMMEDIATE FAMILY MEMBERS OF THE EMPLOYEE, AND THE EMPLOYER CONTRIBUTION SHALL BE
THE SAME PORTION AS THAT PAID BY THE STATE FOR ITS EMPLOYEES.

30 (C) IF A CONTRACT IS PROPOSED UNDER THIS SECTION, THE AFFECTED UNIT SHALL PREPARE A
STATEMENT OF ITS INTERNAL COSTS TO PROVIDE THE SERVICE UTILIZING PUBLIC EMPLOYEES.

31 (D) BEFORE AWARDING A CONTRACT UNDER THIS SECTION, THE BOARD OF PUBLIC WORKS SHALL
CERTIFY THAT:

32 (1) THE QUALITY OF SERVICES TO BE PROVIDED BY THE CONTRACTOR WILL BE AT LEAST
EQUAL TO THE QUALITY OF SERVICES PROVIDED BY THE UNIT;

33 (2) THE CONTRACTOR HAS NO RECORD OF NONCOMPLIANCE WITH ANY FEDERAL OR STATE
LAW OR REGULATION; AND

34 (3) AWARD OF THE CONTRACT IS IN THE PUBLIC INTEREST.

35 Article - State Government

36 15-503.

37 (a) This section does not apply to members of the General Assembly.

38 (b) An official or employee may not be employed by an entity that is a party to a contract that binds or purports to bind
the State if:

39 (1) the duties of the official or employee include matters substantially relating to or affecting the subject matter
of the contract; and

40 (2) the contract binds or purports to bind the State to pay more than \$1,000.

41 (C) THIS SUBSECTION APPLIES TO A CONTRACT GOVERNED BY § 12-109 OF THE STATE FINANCE AND
PROCUREMENT ARTICLE.

42 (2) AN INDIVIDUAL WHO HAS MANAGEMENT RESPONSIBILITIES WITHIN A UNIT OF STATE
GOVERNMENT MAY NOT, FOR A PERIOD OF 1 YEAR FROM THE TERMINATION OF STATE EMPLOYMENT, ACCEPT
EMPLOYMENT FROM A PERSON WHO IS AWARDED A CONTRACT UNDER § 12-109 OF THE STATE FINANCE AND
PROCUREMENT ARTICLE TO PERFORM SERVICES THAT WERE FORMERLY PERFORMED BY THE UNIT THAT
EMPLOYED THE INDIVIDUAL.

43 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998.