
By: **Delegate Brinkley**

Introduced and read first time: February 23, 1999

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Procurement Contract Dispute Resolution - Construction Contracts - Notice**
3 **of Claim and Limits on Recovery**

4 FOR the purpose of altering the time period within which a contractor shall submit a
5 written explanation of a construction procurement contract claim to the
6 government unit against which the claim is being made; altering certain limits
7 on recovery for a construction procurement contract claim; providing for the
8 application of this Act; and generally relating to procurement contract claims for
9 construction.

10 BY repealing and reenacting, without amendments,
11 Article - State Finance and Procurement
12 Section 11-101(x)
13 Annotated Code of Maryland
14 (1995 Replacement Volume and 1998 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article - State Finance and Procurement
17 Section 15-219(b) and (e)
18 Annotated Code of Maryland
19 (1995 Replacement Volume and 1998 Supplement)

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

22 **Article - State Finance and Procurement**

23 11-101.

24 (x) (1) "Unit" means an officer or other entity that is in the Executive
25 Branch of the State government and is authorized by law to enter into a procurement
26 contract.

27 (2) "Unit" does not include:

1 (i) a bistate, multistate, bicounty, or multicounty governmental
2 agency; or

3 (ii) a special tax district, sanitary district, drainage district, soil
4 conservation district, water supply district, or other political subdivision of the State.
5 15-219.

6 (b) [Unless extended by the unit, within 30 days] WITHIN A REASONABLE
7 TIME after submitting a notice of a contract claim under a procurement contract for
8 construction, a contractor shall submit to the unit a written explanation that states:

9 (1) the amount of the contract claim;

10 (2) the facts on which the contract claim is based; and

11 (3) all relevant data and correspondence that may substantiate the
12 contract claim.

13 (e) Recovery under a contract claim is not allowed for any expense incurred:

14 (1) more than 30 days before the required submission of a notice of a
15 claim under subsection (a) of this section, IF THE UNIT CAN SHOW PREJUDICE AS A
16 RESULT OF THE CONTRACTOR'S FAILURE TO TIMELY SUBMIT A NOTICE OF CLAIM; or

17 (2) [unless the time for submission of a claim is extended under
18 subsection (b) of this section, more than 60 days before the required submission of the
19 claim] MORE THAN 30 DAYS BEFORE THE REQUIRED SUBMISSION OF A CLAIM, IF THE
20 UNIT CAN SHOW PREJUDICE AS A RESULT OF THE CONTRACTOR'S FAILURE TO
21 TIMELY SUBMIT A CLAIM.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
23 construed only prospectively and may not be applied or interpreted to have any effect
24 on or application to any procurement contract claims submitted before the effective
25 date of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 1999.