Department of Legislative Services

Maryland General Assembly 1999 Session

FISCAL NOTE Revised

Senate Bill 199 (Senators Ferguson and Moonev) (Frederick County Senators)

Economic and Environmental Affairs

Frederick County - Competitive Bidding

This bill increases from \$15,000 to \$30,000 the amount necessary in Frederick County to require competitive bidding for any county work and the making and awarding of contracts for the purchase of materials and supplies.

The bill is effective July 1, 1999.

Fiscal Summary

State Effect: None.

Local Effect: Indeterminate effect on Frederick County expenditures. No effect on

revenues.

Small Business Effect: Potential minimal.

Fiscal Analysis

Local Expenditures: The bill increases the threshold at which competitive bidding is required. To the extent that contracts for county work, materials, or supplies under \$30,000 are awarded above possible lower bids, county expenditures could increase. On the other hand, direct negotiations between the county and contractors could result in cost savings for work, materials, or supplies under \$30,000. Frederick County advises that the administrative savings of accepting less formal bids would be approximately \$5,600 annually.

Information Source(s): Frederick County, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 1999

dmm/jr Revised - Enrolled Bill - April 15, 1999

Analysis by: Thomas P. Hickey Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510 (301) 970-5510