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By: **Delegate Wood**

Introduced and read first time: January 20, 2000

Assigned to: Commerce and Government Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 22, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Procurement - Intergovernmental Cooperative Purchasing**

3 FOR the purpose of expanding the definition of "governmental entity" for purposes of  
4 a provision under the State procurement law concerning intergovernmental  
5 purchasing to include certain affiliations, alliances, consortiums, or groups  
6 established to promote intergovernmental cooperative purchasing among  
7 governmental entities.

8 BY repealing and reenacting, with amendments,  
9 Article - State Finance and Procurement  
10 Section 13-110  
11 Annotated Code of Maryland  
12 (1995 Replacement Volume and 1999 Supplement)

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

15 **Article - State Finance and Procurement**

16 13-110.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Governmental entity" means:

19 (i) the federal government or an agency or other instrumentality of  
20 the federal government;

1 (ii) another state or an agency or other instrumentality of another  
2 state;

3 (iii) a bistate or multistate agency;

4 (iv) a county, municipal corporation, or other political subdivision of  
5 the State or of another state, or an agency or other instrumentality of the political  
6 subdivision;

7 (v) a bicounty or multicounty agency; [or]

8 (vi) a primary procurement unit; OR

9 (VII) AN AFFILIATION, ALLIANCE, CONSORTIUM, OR GROUP  
10 COMPOSED SOLELY OF GOVERNMENTAL ENTITIES THAT IS ESTABLISHED FOR  
11 PURPOSES OF PROMOTING INTERGOVERNMENTAL COOPERATIVE PURCHASING.

12 (3) "Intergovernmental cooperative purchasing agreement" means a  
13 contract:

14 (i) 1. entered into by at least one governmental entity and a  
15 person selected in a manner that is consistent with the purposes set forth under §  
16 11-201 of this article;

17 2. that is available for use by the governmental entity  
18 entering the contract and at least one additional governmental entity which may, but  
19 need not be, an original party to the contract; and

20 3. that is intended to promote efficiency and savings that can  
21 result from intergovernmental cooperative purchasing; or

22 (ii) between a primary procurement unit and a person who, at the  
23 time the intergovernmental cooperative purchasing agreement is awarded, has a  
24 contract with the federal government or an agency or other instrumentality of the  
25 federal government, and who agrees to provide the unit with identical prices, terms,  
26 and conditions as stipulated in the federal contract.

27 (b) (1) Subject to § 12-107 of this article and paragraph (3) of this  
28 subsection, whenever a primary procurement unit procurement officer determines  
29 that it is in the best interest of the State to sponsor or participate in an  
30 intergovernmental cooperative purchasing agreement, with the approval of the unit  
31 head and subject to any other approval required by law, the primary procurement  
32 unit may become a party to or participate under the agreement.

33 (2) a determination under this subsection shall be in writing and include  
34 a statement that the intergovernmental cooperative purchasing agreement:

35 (i) will provide cost benefits to the State, promote administrative  
36 efficiencies, or promote intergovernmental cooperation; and

1 (ii) is not intended to evade the purposes of this Division II.

2 (3) A primary procurement unit may not participate under a federal  
3 contract if the State's participation is valued at less than \$250,000.

4 (c) (1) If a primary procurement unit sponsors an intergovernmental  
5 cooperative purchasing agreement:

6 (i) the contract shall be awarded in the same manner as the  
7 contract would be awarded under this Division II if the unit was the sole participant  
8 under the contract; and

9 (ii) all procedures under this Division II, including procedures  
10 governing contract claims and protests, shall apply.

11 (2) A political subdivision of the State may participate under any  
12 intergovernmental cooperative purchasing agreement sponsored by a primary  
13 procurement unit in a manner consistent with the terms of the agreement.

14 (d) If a primary procurement unit participates in an intergovernmental  
15 cooperative purchasing agreement, any protest or contract claim involving the  
16 agreement shall be handled in accordance with the terms of the agreement.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2000.