

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

House Bill 79 (Chairman, Commerce and Government Matters Committee)  
(Departmental – Budget and Management)

Commerce and Government Matters

Judicial Proceedings

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**Board of Public Works - Settlements, Judgments, and Counsel Fees - Payment Authority**

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This departmental bill increases from \$2,000 to \$10,000 the amount that the Board of Public Works may authorize State agencies to pay for settlements, judgments, and counsel fees without the board's approval.

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**Fiscal Summary**

**State Effect:** Increasing the amount by which payments for settlements, judgments, and counsel fees can be paid by State agencies without prior approval by the Board of Public Works would not directly affect State expenditures.

**Local Effect:** None.

**Small Business Effect:** The Department of Budget and Management has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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**Analysis**

**Current Law:** The Board of Public Works may delegate to State agencies the authority to pay for settlements, judgments, and counsel fees that do not exceed \$2,000 in a particular case without prior approval of the Board of Public Works. Such authorization has been granted by the Board of Public Works.

**Background:** Over the last five years, 73 settlement, judgement, and counsel fee claims have gone before the Board of Public Works. Of this amount, 18 involved payments of \$10,000 or less. In recent years, changes to the State's procurement laws have provided greater flexibility to State agencies. For example, the following types of contracts no longer need approval from the Board of Public Works: (1) contracts valued at \$25,000 or less; (2) sole source procurements valued between \$25,000 to \$100,000; (3) multiple bids for competitive sealed bid/proposals valued from \$25,000 to \$200,000; and (4) single bid for competitive sealed bid/proposals valued from \$25,000 to \$50,000.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Legislative Services, Department of Budget and Management

**Fiscal Note History:** First Reader – January 22, 2001  
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Analysis by: Hiram L. Burch Jr.

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510