BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL NO. 395 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Vaughn" and substitute "<u>Vaughn, Bates, Boutin,</u> <u>Bromwell, Costa, Donoghue, Hammen, Haynes, Hurson, McDonough, Morhaim, Murray, Oaks,</u> <u>Redmer, Rosenberg, Rudolph, Smigiel, V. Turner, and Weldon</u>"; strike beginning with "Bid" in line 2 down through "Fees" in line 3 and substitute "<u>Contract Claim Disputes - Alternative Dispute</u> <u>Resolution Pilot Program</u>"; strike beginning with "requiring" in line 4 down through "circumstances" in line 8 and substitute "<u>requiring certain primary procurement units to develop and</u> implement a certain alternative dispute resolution pilot program; providing that the pilot program applies only to claims by certain small businesses and minority business enterprises; requiring the pilot program to allow a party to elect to proceed without representation by an attorney; defining certain terms; requiring the primary procurement units to report to the General Assembly on or before a certain date; and generally relating to an alternative dispute resolution pilot program for procurement contract claim disputes"; and strike in their entirety lines 9 through 13, inclusive, and substitute:

"BY adding to

Article - State Finance and Procurement Section 15-224 Annotated Code of Maryland (2001 Replacement Volume and 2002 Supplement)".

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 17 on page 1 through line 15 on page 2, inclusive, and substitute:

"<u>15-224.</u>

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(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) <u>"MINORITY BUSINESS ENTERPRISE" HAS THE MEANING STATED</u> IN § 14-301 OF THIS ARTICLE.

(3) <u>"SMALL BUSINESS" MEANS A BUSINESS THAT QUALIFIES AS A</u> <u>SMALL BUSINESS UNDER § 14-203 OF THIS ARTICLE.</u>

(B) THE PRIMARY PROCUREMENT UNITS SHALL DEVELOP AND IMPLEMENT AN ALTERNATIVE DISPUTE RESOLUTION PILOT PROGRAM FOR THE RESOLUTION OF CLAIMS UNDER PROCUREMENT CONTRACTS.

(C) THE ALTERNATIVE DISPUTE RESOLUTION PILOT PROGRAM SHALL APPLY ONLY TO CLAIMS BY SMALL BUSINESSES AND MINORITY BUSINESS ENTERPRISES.

(D) THE PILOT PROGRAM SHALL PROVIDE FOR AN ELECTION BY A PARTY TO PROCEED WITHOUT REPRESENTATION BY AN ATTORNEY.

SECTION 2. AND BE IT FURTHER ENACTED, That the primary procurement units shall report to the General Assembly on or before October 1, 2005, in accordance with § 2-1246 of the State Government Article, on the effectiveness and fiscal impact of, and recommendations about, the alternative dispute resolution pilot program established under Section 1 of this Act.".

On page 2, in line 16, strike "2." and substitute "3.".