

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 1075

(Delegate Sophocleus, *et al.*)

Health and Government Operations

Education, Health, and Environmental Affairs

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**Procurement - Exemptions - Maryland Developmental Disabilities Administration**

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This bill exempts procurements by the Developmental Disabilities Administration (DDA) for family and individual support services and individual family care services from most provisions of State procurement laws and regulations. The bill also applies the goals of the Minority Business Enterprise (MBE) program to DDA.

The procurements for these goods and services would still be required to comply with certain provisions of procurement law, including those relating to the supervision of capital expenditures and real property leases, suspension and debarment of contractors, and special provisions for State and local subdivisions.

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**Fiscal Summary**

**State Effect:** None. The bill would not directly affect government finances.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** In conjunction with the Waiting List Initiative, the Department of Budget and Management (DBM) has delegated as much procurement authority as possible to DDA, and the Board of Public Works (BPW) has permitted DDA to report every six months on its procurement actions related to community-based providers, rather than report prior to each action. Purchases of goods and services for the four State residential centers do not have this delegated authority.

Chapter 339 of 2001 established the current overall goal of 25% for the total value of contracts being awarded to certified MBEs and separate goals of 7% for African-American businesses and 10% for women-owned businesses.

Each procurement unit must: (1) implement a program enabling the unit to evaluate each contract to determine the appropriateness of the goal; and (2) meet the maximum feasible portion of the goals by using race neutral measures to facilitate MBE participation in the procurement process.

Procurement units must annually report to the certification agency (currently the Maryland Department of Transportation) and the Office of Minority Affairs. BPW may adopt regulations requiring a unit of State government to require bidders and offerors to submit information necessary for a study of the program. Data collected in this manner will be the basis for a report due to BPW on September 30, 2005. BPW may designate certain information received under the regulations as confidential. However, the certification agency may provide the information to any person under contract with the certification agency to assist in the study.

**State Fiscal Effect:** The bill would have no impact on the procurement of contracts with community-based providers given the level of authority already delegated by DBM and BPW.

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### **Additional Information**

**Prior Introductions:** HB 547 of 2002, a similar bill, passed the House and received an unfavorable report in the Senate Education, Health, and Environmental Affairs Committee.

**Cross File:** None.

**Information Source(s):** Department of General Services, Department of Health and Mental Hygiene, Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - March 13, 2003  
lc/jr Revised - House Third Reader - March 27, 2003

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