
By: ~~Delegate Marriott~~ Delegates Marriott, Hurson, Hammen, Benson,
Boteler, Boutin, Bromwell, Costa, Donoghue, Elliott, Goldwater,
Hubbard, Kach, Mandel, McDonough, Morhaim, Nathan-Pulliam, Oaks,
Pendergrass, Rosenberg, Rudolph, Smigiel, V. Turner, and Weldon

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Committee Report: Favorable with amendments
House action: Adopted
Read second time: April 2, 2004

CHAPTER _____

1 AN ACT concerning

2 ~~Procurement – Youth Corps – Preferences~~ Preferences - Nonprofit
3 Organizations and Youth Programs - Study

4 FOR the purpose of ~~establishing a certain preference for certain State procurement~~
5 ~~contracts; providing certain exclusions from a certain preference for certain~~
6 ~~State procurement contracts under certain circumstances; providing for the~~
7 ~~application of certain preferences; requiring the Board of Public Works to adopt~~
8 ~~certain regulations; defining certain terms; and generally relating to State~~
9 ~~procurement contracts and a preference for certain persons who submit certain~~
10 ~~bids or proposals. requiring the Board of Public Works to conduct a certain study~~
11 ~~relating to the expansion of certain purchasing preferences to include certain~~
12 ~~nonprofit organizations and youth programs; providing for the termination of~~
13 ~~this Act; and generally relating to a study of certain procurement preferences.~~

14 ~~BY adding to~~
15 ~~Article – State Finance and Procurement~~
16 ~~Section 14-407~~
17 ~~Annotated Code of Maryland~~
18 ~~(2001 Replacement Volume and 2003 Supplement)~~

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

1 ~~Article—State Finance and Procurement~~

2 14-407.

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

5 (2) ~~"PREFERENCE" MEANS AN AMOUNT EQUAL TO 5% OF THE LOWEST~~
6 ~~RESPONSIVE BID OR PROPOSAL RECEIVED IN RESPONSE TO AN INVITATION FOR BIDS~~
7 ~~OR A REQUEST FOR PROPOSALS FOR A PROCUREMENT CONTRACT FOR SUPPLIES,~~
8 ~~SERVICES, AND CONSTRUCTION-RELATED SERVICES.~~

9 (3) ~~"YOUTH CORPS" MEANS A PROGRAM OPERATED BY THE STATE, A~~
10 ~~LOCAL GOVERNMENT, OR A NONPROFIT ORGANIZATION THAT ENGAGES PRIMARILY~~
11 ~~YOUTH AND YOUNG ADULTS IN FULL-TIME COMMUNITY SERVICE, TRAINING, AND~~
12 ~~EDUCATIONAL ACTIVITIES.~~

13 (B) (1) ~~THIS SECTION DOES NOT APPLY WHEN A PREFERENCE WOULD~~
14 ~~CONFLICT WITH FEDERAL LAW OR PROVISIONS OF A FEDERAL GRANT AFFECTING~~
15 ~~THE PROCUREMENT CONTRACT.~~

16 (2) ~~A PREFERENCE UNDER THIS SECTION IS IN ADDITION TO ANY~~
17 ~~PREFERENCE A YOUTH CORPS MAY BE ENTITLED TO UNDER THIS DIVISION II OF~~
18 ~~THIS ARTICLE.~~

19 (C) ~~WHEN A UNIT USES COMPETITIVE SEALED BIDDING OR A REQUEST FOR~~
20 ~~PROPOSALS TO AWARD A PROCUREMENT CONTRACT FOR SUPPLIES, SERVICES, AND~~
21 ~~CONSTRUCTION-RELATED SERVICES, THE UNIT SHALL GRANT THE CONTRACT TO A~~
22 ~~YOUTH CORPS IF:~~

23 (1) ~~THE YOUTH CORPS SUBMITS THE LOWEST RESPONSIVE BID OR~~
24 ~~PROPOSAL AMONG THE YOUTH CORPS SUBMITTING BIDS OR PROPOSALS; AND~~

25 (2) ~~THE BID OR PROPOSAL, AFTER SUBTRACTING THE PREFERENCE~~
26 ~~UNDER THIS SECTION, DOES NOT EXCEED THE LOWEST RESPONSIVE BID OR~~
27 ~~PROPOSAL.~~

28 (D) ~~THE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.~~

29 The General Assembly finds that a growing number of entities are seeking to
30 obtain purchasing preferences under the State procurement law that may affect the
31 original purpose for the enactment of the purchasing preferences. Accordingly, the
32 General Assembly requests that the Board of Public Works:

33 (a) (1) examine and evaluate minority business enterprise
34 participation goals on the cost and effectiveness of human and social services
35 provided for the State by nonprofit organizations; and

36 (2) consider the development of a process for certifying nonprofit
37 organizations as minority business enterprises;

1 (b) examine the impact on the State procurement process of awarding a
2 procurement price preference to a program operated by the State, a local government,
3 a nonprofit organization, or any other private organization that engages primarily
4 youth and young adults in full-time community service, training, and educational
5 activities; and

6 (c) on or before December 1, 2004, submit a report, including any
7 findings and recommendations for changes to the State procurement law or
8 regulations, to the Governor and the General Assembly, in accordance with § 2-1246
9 of the State Government Article.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 ~~October 1, 2004.~~ July 1, 2004. It shall remain effective for a period of 6 months and, at
12 the end of December 31, 2004, with no further action required by the General
13 Assembly, this Act shall be abrogated and of no further force and effect.