

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

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

House Bill 280

(Delegate McIntosh)

Health and Government Operations

Education, Health, and Environmental Affairs

---

**Procurement - Competitive Sealed Proposals - Use**

---

This bill repeals the requirement that a head of a unit of State government determine that the need to use a method of procurement other than competitive sealed bids is sufficiently compelling to override the general public policy that favors awarding procurement contracts on the basis of competitive sealed bids.

---

**Fiscal Summary**

**State Effect:** None. This bill could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

---

**Analysis**

**Bill Summary:** Heads of units will still be required to make a determination that the use of competitive sealed bidding for that procurement contract is not practicable or not advantageous to the State.

**Current Law:** Statute states that competitive sealed bids are the preferred method of procurement for all State contracts except architectural and engineering services and information technology services. A procurement officer must specifically authorize the use of another available method for a procurement to use any other method. Other methods permitted by statute include competitive sealed proposals, noncompetitive negotiation, sole source procurement, emergency or expedited procurement, small procurement, or an intergovernmental cooperative purchasing agreement.

Competitive sealed proposals are the preferred method for human, social, cultural, or educational services, or for the lease of real property. Competitive sealed proposals permit the State to review both technical responses and the price; however, the technical and price components of a proposal must be evaluated separately from each other. The relative weight of each evaluation factor must be provided with the RFP. There are no statutory specifications for the contents of an RFP or the criteria to be used to evaluate a proposal.

---

### **Additional Information**

**Prior Introductions:** In 2003, SB 238, a similar bill, was heard in the Education, Health, and Environmental Affairs committee and withdrawn. Also in 2003, HB 306, a similar bill, was heard in the Health and Government Operations Committee and withdrawn. In 2002, HB 480, a similar bill, received an unfavorable report from the Commerce and Government Matters Committee.

**Cross File:** SB 215 (Senator Stone) – Education, Health, and Environmental Affairs.

**Information Source(s):** Department of General Services, Board of Public Works, University System of Maryland, Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - February 10, 2004  
mh/hlb Revised - House Third Reader - March 25, 2004

---

Analysis by: Daniel P. Tompkins

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510