

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1475

(Delegate Marriott, *et al.*)

Health and Government Operations

Education, Health, and Environmental Affairs

Procurement Preferences - Nonprofit Organizations and Youth Programs - Study

This bill states that the General Assembly finds that a growing number of entities are seeking purchasing preferences under State procurement law that may affect the original purpose for the enactment of purchasing preferences. The bill requests the Board of Public Works (BPW) to: (1) examine and evaluate minority business enterprise (MBE) participation goals on the cost and effectiveness of human and social services provided for the State by nonprofit organizations; (2) consider the development of a process for certifying nonprofit organizations as MBEs; and (3) examine the impact on the State procurement process of awarding a procurement price preference to a program operated by the State, a local government, a nonprofit organization, or any other private organization that engages primarily youth and young adults in full-time community service, training, and educational activities.

The bill requests BPW to submit a report, including any findings and recommendations for changes to the State procurement law or regulations, to the Governor and the General Assembly by December 1, 2004.

The bill takes effect July 1, 2004 and terminates December 31, 2004.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Statute details the State's current preferences in procurements. The statute includes the current Minority Business Enterprise (MBE) program; reciprocal preferences for resident bidders; a preference that the Department of General Services increase the purchase of recycled paper products; a 5% price preference for recycled materials including post-consumer material, industrial scrap, compost, obsolete inventories, and processed and pasteurized chicken litter; low-noise supplies; mercury free products and equipment; and Maryland coal.

Statute states that purchases by the State from another unit of State government, or from a local government, are exempt from procurement law.

Additional Information

Prior Introductions: None.

Cross File: SB 684 (Senator Gladden) – 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 Budget and Management, Department of Legislative Services

Fiscal Note History: First Reader - March 16, 2004
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