

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 385

(Senator Stone, *et al.*)

Education, Health, and Environmental Affairs

Health and Government Operations

Procurement - Debarment - Violations of Law

This bill specifies that a person may be debarred from entering into a contract with the State if, within the preceding five years, the person has: (1) been criminally convicted of violating federal or State labor laws, civil rights laws, or environmental protection laws; or (2) committed multiple violations of any federal, Maryland, or other states' labor law if the violations significantly impact the health or safety of workers, civil rights law, or environmental protection law if the violations significantly impact the health or safety of workers or the general public and been subject to multiple separate and distinct findings of civil liability in Maryland or any jurisdiction.

Fiscal Summary

State Effect: The bill would not materially affect State government operations.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: A person may be debarred from entering into a contract with the State on several grounds, including conviction for a variety of specified offenses, an admission in writing or under oath of an act that constitutes grounds for conviction of certain offenses, being a successor, assignee, subsidiary, or affiliate of a debarred person, or operating in a manner designed to evade or defeat the purpose of the State Finance and Procurement Article. A person may also be debarred from entering into a contract with the State for

any cause the Board of Public Works (BPW) determines to be so serious as to affect the integrity of the procurement process.

State Fiscal Effect: The bill is not expected to result in a significant increase in the number of debarment actions. BPW advises that it typically reviews three to five debarment actions each year.

The Office of the Attorney General advises that a part-time Assistant Attorney General will be required to handle increased workload issues. Legislative Services disagrees with this assessment of increased costs because the bill does not significantly broaden the terms for debarment, and believes that the bill's requirements could be handled with existing resources. In the event that the bill does result in a significant increase in debarment actions in the future, however, additional resources may be needed in the Office of the Attorney General.

Additional Information

Prior Introductions: In 2003, SB 122, a similar bill, was vetoed by the Governor.

Cross File: None.

Information Source(s): Department of General Services, Board of Public Works, Office of the Attorney General, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2004
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