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By: **Chairman, Health and Government Operations Committee (By Request  
- Departmental - Environmental Service, Maryland)**

Introduced and read first time: February 11, 2005

Assigned to: Health and Government Operations

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Committee Report: Favorable

House action: Adopted

Read second time: March 25, 2005

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CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Maryland Environmental Service - Procurement**

3 FOR the purpose of clarifying the authority of the Maryland Environmental Service  
4 to undertake certain types of procurements; authorizing the Maryland  
5 Environmental Service to provide a process to resolve disputes; providing that  
6 existing obligations or contract rights may not be impaired by this Act; and  
7 generally relating to procurement by the Maryland Environmental Service.

8 BY repealing and reenacting, with amendments,  
9 Article - Natural Resources  
10 Section 3-103(g)  
11 Annotated Code of Maryland  
12 (2000 Replacement Volume and 2004 Supplement)

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

15 **Article - Natural Resources**

16 3-103.

17 (g) (1) The Service is exempt from the provisions of Part III of Subtitle 3 and  
18 Subtitles 4, 5, 6, and 7 of Title 4 of the State Finance and Procurement Article.

19 (2) The Service is exempt from the provisions of Division II of the State  
20 Finance and Procurement Article, but is not exempt from Subtitle 3 of Title 14, Title  
21 16, and Title 17 of the State Finance and Procurement Article.

(3) (I) [All purchases] EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, ALL PROCUREMENTS by the Service[, including but not limited to contracts and orders] for materials, EQUIPMENT, services, [and] OR supplies performed or furnished in connection with the PLANNING, DEVELOPMENT, DESIGN, EQUIPPING, construction, OR OPERATION of any project owned or controlled by the Service, shall be awarded in accordance with rules and regulations adopted pursuant to the Administrative Procedure Act[, which rules and regulations shall provide, with respect to contracts and orders involving the expenditure of more than \$10,000 for award after either competitive bidding or public design competition, and which rules and regulations need not be approved by any other board, agency, or department of the State. The Service's rules and regulations providing for competitive bidding or public design competition may include competitive sealed bidding, competitive negotiations, and revised bids after competitive sealed bidding where all bids are rejected as methods of source selection and contract formation].

(II) THE SERVICE MAY PROCURE MATERIALS, EQUIPMENT, SERVICES, OR SUPPLIES BY UTILIZING:

1. COMPETITIVE SEALED BIDS;
2. COMPETITIVE SEALED PROPOSALS;
3. SOLE SOURCE PROCUREMENT;
4. INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS;
5. A SMALL PROCUREMENT PROCESS, IF THE PROCUREMENT IS ESTIMATED BY THE SERVICE TO RESULT IN AN EXPENDITURE OF \$25,000 OR LESS; OR
6. AN EMERGENCY PROCUREMENT PROCESS, IF THE PROCUREMENT IS NECESSARY TO AVOID OR TO MITIGATE SERIOUS DAMAGE TO PUBLIC HEALTH, SAFETY, OR WELFARE.

(4) THE SERVICE MAY ADOPT RULES AND REGULATIONS TO PROVIDE A PROCESS TO RESOLVE DISPUTES BETWEEN THE SERVICE AND ITS CONTRACTORS, THAT MAY INCLUDE ALTERNATIVE DISPUTE RESOLUTION BY THE PARTIES TO THE DISPUTE.

SECTION 2. AND BE IT FURTHER ENACTED, That a presently existing obligation or contract right may not be impaired in any way by this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2005.

