BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL NO. 663

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "Delegate Benson" and substitute "Delegates Benson, Hammen, Goldwater, Barve, Boteler, Bromwell, Costa, Donoghue, Elliott, Frank, Hubbard, Kach, Kohl, Kullen, Mandel, McDonough, Morhaim, Murray, Nathan-Pulliam, Oaks, Pendergrass, Rudolph, V. Turner, and Weldon"; in line 2, strike "Board of Contract Appeals - Award of Costs" and substitute "Contract Claim Disputes - Alternative Dispute Resolution Pilot Program"; strike beginning with "authorizing" in line 3 down through "protest;" in line 5; strike beginning with "altering" in line 6 down through "Appeals" in line 9 and substitute "requiring the Office of the Attorney General, in consultation with certain primary procurement units, to develop and implement a certain alternative dispute resolution pilot program; providing that the pilot program shall apply to all procurement claims; requiring the pilot program to allow a party to elect to proceed without representation by an attorney; requiring the Office of the Attorney General, in consultation with the primary procurement units, to make certain reports on or before certain dates; defining certain terms; providing for the termination of this Act; and generally relating to an alternative dispute resolution pilot program for procurement contract claim disputes"; in line 12, strike "15-221.1 and"; and after line 14, insert:

"BY adding to

Article - State Finance and Procurement

Section 15-224

Annotated Code of Maryland

(2001 Replacement Volume and 2005 Supplement)".

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 18 on page 1 through line 3 on page 2, inclusive.

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On page 2, in lines 8, 9, and 10, in each instance, strike the bracket; in line 8, strike "UNLESS"; strike beginning with "SUBSTANTIALLY" in line 10 down through "UNJUST" in line 11; and strike in their entirety lines 13 and 14 and substitute:

"<u>15-224.</u>

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "ALTERNATIVE DISPUTE RESOLUTION" MEANS MEDIATION, NEUTRAL CASE EVALUATION, NEUTRAL FACT-FINDING, OR A SETTLEMENT CONFERENCE.
- (3) "MEDIATION" HAS THE MEANING STATED IN TITLE 17 OF THE MARYLAND RULES.
- (4) "NEUTRAL CASE EVALUATION" HAS THE MEANING STATED IN TITLE 17 OF THE MARYLAND RULES.
- (5) "NEUTRAL FACT-FINDING" HAS THE MEANING STATED IN TITLE 17 OF THE MARYLAND RULES.
- (6) "SETTLEMENT CONFERENCE" HAS THE MEANING STATED IN TITLE 17 OF THE MARYLAND RULES.
- (B) THE OFFICE OF THE ATTORNEY GENERAL, IN CONSULTATION WITH THE PRIMARY PROCUREMENT UNITS, SHALL DEVELOP AND IMPLEMENT AN ALTERNATIVE DISPUTE RESOLUTION PILOT PROGRAM FOR THE RESOLUTION OF CLAIMS UNDER PROCUREMENT CONTRACTS.
- (C) THE ALTERNATIVE DISPUTE RESOLUTION PILOT PROGRAM SHALL APPLY TO ALL PROCUREMENT CLAIMS.
- (D) THE PILOT PROGRAM SHALL PROVIDE FOR AN ELECTION BY A PARTY TO PROCEED WITHOUT REPRESENTATION BY AN ATTORNEY.

SECTION 2. AND BE IT FURTHER ENACTED, That the Office of the Attorney General, in consultation with the primary procurement units, shall report on or before January 1, 2009, to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly, on the effectiveness and fiscal impact of, and recommendations about, the alternative dispute resolution pilot program established under Section 1 of this Act. The report shall include a statistical analysis of the size of each case, the types of cases, the outcome of any alternative dispute resolution proceedings, and an estimate of any cost savings or additional costs resulting from the alternative dispute resolution process.

SECTION 3. AND BE IT FURTHER ENACTED, That the Office of the Attorney General, in consultation with the primary procurement units, shall report on or before January 1 of each year, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee on the alternative dispute resolution pilot program established under this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2006. It shall remain effective for a period of 3 years and, at the end of September 30, 2009, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect."