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By: **Delegates Morhaim, Cardin, Hubbard, and Stull**

Introduced and read first time: February 8, 2006

Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2 **Procurement - Percentage Price Preference - Locally Grown Foods**

3 FOR the purpose of providing a certain price preference for locally grown foods under  
4 certain circumstances; requiring the Board of Public Works to adopt certain  
5 regulations concerning the establishment of a certain percentage price  
6 preference; requiring certain schools and facilities to review certain  
7 procurement specifications and, to the extent practicable, require the use of a  
8 percentage price preference in their purchase of food; defining certain terms;  
9 and generally relating to a percentage price preference for the procurement of  
10 locally grown food.

11 BY adding to

12 Article - State Finance and Procurement

13 Section 14-407

14 Annotated Code of Maryland

15 (2001 Replacement Volume and 2005 Supplement)

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

18 **Article - State Finance and Procurement**

19 14-407.

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
21 INDICATED.

22 (2) "LOCALLY GROWN FOOD" MEANS FOOD GROWN IN THE STATE.

23 (3) "PERCENTAGE PRICE PREFERENCE" MEANS THE PERCENT BY WHICH  
24 A RESPONSIVE BID FROM A RESPONSIBLE BIDDER WHOSE PRODUCT IS A LOCALLY  
25 GROWN FOOD MAY EXCEED THE LOWEST RESPONSIVE BID SUBMITTED BY A  
26 RESPONSIBLE BIDDER WHOSE PRODUCT IS NOT A LOCALLY GROWN FOOD.

1 (B) THE BOARD SHALL ADOPT REGULATIONS THAT REQUIRE STATE SCHOOLS  
2 AND FACILITIES TO ESTABLISH A PERCENTAGE PRICE PREFERENCE, NOT TO EXCEED  
3 5%, FOR THE PURCHASE OF LOCALLY GROWN FOOD.

4 (C) A PERCENTAGE PRICE PREFERENCE UNDER THIS SECTION MAY NOT BE  
5 USED IN CONJUNCTION WITH ANY OTHER PERCENTAGE PRICE PREFERENCE  
6 ESTABLISHED UNDER THIS TITLE.

7 (D) EACH STATE SCHOOL AND FACILITY SHALL REVIEW THE PROCUREMENT  
8 SPECIFICATIONS CURRENTLY USED AND, TO THE EXTENT PRACTICABLE, REQUIRE  
9 THE USE OF A PERCENTAGE PRICE PREFERENCE IN THEIR PURCHASE OF LOCALLY  
10 GROWN FOOD.

11 (E) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS  
12 SECTION IS BROADLY APPLICABLE TO ALL PROCUREMENTS BY STATE SCHOOLS AND  
13 FACILITIES IF THE LOCALLY GROWN FOOD IS CONSISTENT WITH THE  
14 REQUIREMENTS OF THE BID SPECIFICATION.

15 (2) ONLY TO THE EXTENT NECESSARY TO PREVENT THE DENIAL OF  
16 FEDERAL MONEYS OR ELIMINATE THE INCONSISTENCY WITH FEDERAL LAW, THIS  
17 SECTION DOES NOT APPLY TO A PROCUREMENT BY A STATE SCHOOL OR FACILITY IF  
18 IT IS DETERMINED THAT COMPLIANCE WITH THIS SECTION WOULD:

19 (I) CAUSE DENIAL OF FEDERAL MONEYS; OR

20 (II) BE INCONSISTENT WITH THE REQUIREMENTS OF FEDERAL  
21 LAW.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2006.