

HOUSE BILL 1178

L1

71r2588

By: **Delegate Costa**

Introduced and read first time: February 20, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Local Government – Procurement – Resident Preferences**

3 FOR the purpose of prohibiting a county, Baltimore City, or a municipal corporation
4 from granting a certain preference to a resident bidder or offeror in the award of
5 certain procurement contracts under certain circumstances; repealing a certain
6 reciprocal local preference law applicable to Frederick County; repealing a
7 certain local preference law applicable to Garrett County; providing for the
8 application of this Act; defining certain terms; and generally relating to resident
9 preferences by local governments in the award of certain procurement contracts.

10 BY repealing

11 The Public Local Laws of Frederick County

12 Section 2–2–4

13 Article 11 – Public Local Laws of Maryland

14 (2004 Edition and December 2006 Supplement, as amended)

15 BY repealing

16 The Public Local Laws of Garrett County

17 Section 20–14.1

18 Article 12 – Public Local Laws of Maryland

19 (1985 Edition and October 2001 Supplement, as amended)

20 BY repealing and reenacting, without amendments,

21 Article 24 – Political Subdivisions – Miscellaneous Provisions

22 Section 1–101(a) and (b)

23 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2005 Replacement Volume and 2006 Supplement)

2 BY repealing and reenacting, with amendments,
3 Article 24 – Political Subdivisions – Miscellaneous Provisions
4 Section 8–102
5 Annotated Code of Maryland
6 (2005 Replacement Volume and 2006 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That Section(s) 2–2–4 of Article 11 – Frederick County of the Code of
9 Public Local Laws of Maryland be repealed.

10 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 20–14.1 of
11 Article 12 – Garrett County of the Code of Public Local Laws of Maryland be repealed.

12 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
13 read as follows:

14 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

15 1–101.

16 (a) Unless the context clearly requires otherwise, in this article the following
17 words have the meanings indicated.

18 (b) “County” means a county of the State and Baltimore City.

19 8–102.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) “Maryland firm” means a business entity that has its principal
22 office in the State.

23 (3) “Nonresident firm” means a business entity that has its principal
24 office out of the State.

25 (b) (1) When awarding a contract by competitive bidding, if the state in
26 which a nonresident firm is located gives an advantage to its resident businesses, a
27 political subdivision or any instrumentality of government within the State may give
28 an identical advantage to the lowest responsive and responsible bid from a Maryland
29 firm over that of the nonresident firm.

1 (2) **WHEN A COUNTY OR MUNICIPAL CORPORATION USES**
2 **COMPETITIVE SEALED BIDDING OR COMPETITIVE SEALED PROPOSALS TO**
3 **AWARD A PROCUREMENT CONTRACT IN DETERMINING THE LOWEST**
4 **RESPONSIVE BID OR PROPOSAL, THE COUNTY OR MUNICIPAL CORPORATION**
5 **MAY NOT DISCRIMINATE AGAINST A MARYLAND FIRM BY GIVING AN ADVANTAGE**
6 **TO ANY OTHER MARYLAND FIRM.**

7 (3) An advantage may include:

8 (i) A percentage preference;

9 (ii) An employee residency requirement; or

10 (iii) Any other provision that favors a nonresident firm over a
11 Maryland firm.

12 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall be
13 construed to apply only prospectively and may not be applied or interpreted to have
14 any effect on or application to any procurement contract entered into by a county or
15 municipal corporation before the effective date of this Act.

16 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2007.