

SENATE BILL 767

P2

4r2318
CF 4r2309

By: **Senators Madaleno, Currie, Manno, and Peters**

Introduced and read first time: January 31, 2014

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Service Contracts – Notice and Reporting Requirements**

3 FOR the purpose of requiring certain reporting agencies each year to submit certain
4 reports to the budget committees of the General Assembly; requiring the Board
5 of Public Works to submit a proposed service contract to certain persons and
6 post notice of the Board's intent to enter into a certain service contract on a
7 certain Web site at least a certain time period before entering into a certain
8 service contract; authorizing certain budget committees to submit comments to
9 the Board within a certain period of time; altering a certain definition; defining
10 certain terms; and generally relating to the procurement of service contracts.

11 BY repealing and reenacting, without amendments,
12 Article – State Finance and Procurement
13 Section 13–218.1
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2013 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – State Personnel and Pensions
18 Section 13–401
19 Annotated Code of Maryland
20 (2009 Replacement Volume and 2013 Supplement)

21 BY adding to
22 Article – State Personnel and Pensions
23 Section 13–406
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2013 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – State Finance and Procurement**

2 13–218.1.

3 (a) In this section, “service contract” has the meaning stated in § 13–401 of
4 the State Personnel and Pensions Article.

5 (b) (1) At least 60 days before the issuance of a solicitation for a service
6 contract that is not exempt under § 13–403(c) or § 13–404(b) of the State Personnel
7 and Pensions Article, the unit shall provide the exclusive representative of the
8 employees who may be affected by the service contract with written notice of:

9 (i) work that is being proposed for contracting; and

10 (ii) contracting procedures, requirements, timetables, and
11 employee rights as provided in Title 13, Subtitle 4 of the State Personnel and Pensions
12 Article.

13 (2) (i) 1. Except as provided in subsubparagraph 2 of this
14 subparagraph, this paragraph applies to a solicitation for a service contract for
15 janitorial services.

16 2. This paragraph does not apply to a service contract
17 for janitorial services under Title 14, Subtitle 1 of this article.

18 (ii) In consultation with the Department of General Services,
19 the Board shall adopt regulations concerning a solicitation for a service contract for
20 janitorial services to require that a bidder or offeror delineate its costs by category,
21 including:

22 1. labor;

23 2. cleaning supplies; and

24 3. projected man–hours to satisfactorily complete the
25 service.

26 (c) A violation of this section does not constitute grounds to challenge or
27 appeal an award of a procurement or the process through which the procurement was
28 conducted.

29 **Article – State Personnel and Pensions**

30 13–401.

31 (a) In this subtitle the following words have the meanings indicated.

1 (b) “Service contract” means a procurement contract for services that:

2 (1) will be provided to a unit in the Executive Branch of State
3 government, **INCLUDING A UNIT THAT HAS AN INDEPENDENT PERSONNEL**
4 **SYSTEM; AND**

5 [(2) will be performed within a State–operated facility; and]

6 [(3)] (2) in the estimation of the procurement officer, will exceed an
7 annual cost of \$100,000.

8 (c) “Services” has the meaning stated in § 11–101 of the State Finance and
9 Procurement Article.

10 (d) “Unit” has the meaning stated in § 11–101 of the State Finance and
11 Procurement Article.

12 **13–406.**

13 (A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
14 **MEANINGS INDICATED.**

15 (2) **“BOARD” MEANS THE BOARD OF PUBLIC WORKS.**

16 (3) **“BUDGET COMMITTEES” MEANS THE SENATE BUDGET AND**
17 **TAXATION COMMITTEE, THE HOUSE WAYS AND MEANS COMMITTEE, AND THE**
18 **HOUSE APPROPRIATIONS COMMITTEE.**

19 (4) **“REPORTING AGENCY” HAS THE MEANING STATED IN §**
20 **10A–102 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

21 (B) **BY JANUARY 1 OF EACH YEAR, EACH REPORTING AGENCY SHALL**
22 **SUBMIT TO THE BUDGET COMMITTEES, IN ACCORDANCE WITH § 2–1246 OF THE**
23 **STATE GOVERNMENT ARTICLE:**

24 (1) **A REPORT CONCERNING EACH SERVICE CONTRACT UNDER**
25 **CONSIDERATION OVER \$200,000; AND**

26 (2) **A STATUS REPORT CONCERNING EACH EXISTING SERVICE**
27 **CONTRACT IN WHICH THE REPORTING AGENCY IS INVOLVED.**

28 (C) (1) **AT LEAST 45 DAYS BEFORE APPROVING A SERVICE**
29 **CONTRACT, THE BOARD SHALL:**

1 **(I) SUBMIT THE PROPOSED SERVICE CONTRACT, IN**
2 **ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO:**

- 3 **1. THE COMPTROLLER;**
4 **2. THE STATE TREASURER;**
5 **3. THE BUDGET COMMITTEES; AND**
6 **4. THE DEPARTMENT OF LEGISLATIVE SERVICES;**
7 **AND**

8 **(II) POST NOTICE OF THE BOARD'S INTENT TO ENTER INTO**
9 **A SERVICE CONTRACT ON THE WEB SITE OF THE DEPARTMENT.**

10 **(2) WITHIN 30 DAYS AFTER RECEIVING A PROPOSED SERVICE**
11 **CONTRACT, THE BUDGET COMMITTEES MAY SUBMIT COMMENTS TO THE BOARD.**

12 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
13 **October 1, 2014.**