HOUSE BILL 1353

P2, L1 2lr2522

By: Delegate Wilson

Introduced and read first time: February 11, 2022 Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2

Omnibus Procurement Reform Act ("OPRA") of 2022

3 FOR the purpose of requiring the expeditious disclosure of certain procurement 4 information; altering the conditions under which certain solicitations may be 5 canceled or certain bids or proposals may be rejected; prohibiting the Board of 6 Contract Appeals from affirming certain actions unless the existence of certain 7 conditions is proved by clear and convincing evidence; establishing certain 8 requirements for county procurement contracts that use State funds; applying provisions of the State procurement law regarding contract claims and protests to 9 certain county procurement contracts; altering the conditions under which parties to 10 11 an appeal from a decision about a protest may engage in certain additional discovery; 12 reducing the time by which the Appeals Board must issue its final decision on an 13 appeal from a decision about a contract claim; requiring the Appeals Board to award 14 certain damages and costs under certain circumstances; expanding the authority of 15 the Appeals Board to award certain costs; and generally relating to State and county 16 procurement contracts.

- 17 BY repealing and reenacting, without amendments,
- 18 Article State Finance and Procurement
- 19 Section 11–201(a)
- 20 Annotated Code of Maryland
- 21 (2021 Replacement Volume)
- 22 BY repealing and reenacting, with amendments,
- 23 Article State Finance and Procurement
- 24 Section 13–202, 13–206, 15–202, 15–215, 15–221, 15–221.1, and 15–221.2
- 25 Annotated Code of Maryland
- 26 (2021 Replacement Volume)
- 27 BY adding to
- 28 Article State Finance and Procurement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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Department only:

| 1 2 3 4 | Section 17–901 through 17–905 to be under the new subtitle "Subtitle 9. County Procurements Using State Funds" Annotated Code of Maryland (2021 Replacement Volume) | | |
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| 5 6 | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: | | |
| 7 | Article - State Finance and Procurement | | |
| 8 | 11–201. | | |
| 9 | (a) The purposes and policies of this Division II include: | | |
| 10 | (1) providing for increased confidence in State procurement; | | |
| 11 12 | (2) ensuring fair and equitable treatment of all persons who deal with the State procurement system; | | |
| 13 14 | (3) providing safeguards for maintaining a State procurement system of quality and integrity; | | |
| 15 16 | (4) fostering effective broad-based competition in the State through support of the free enterprise system; | | |
| 17 18 | (5) promoting increased long-term economic efficiency and responsibility in the State by encouraging the use of recycled materials; | | |
| 19 | (6) providing increased economy in the State procurement system; | | |
| 20 | (7) getting the maximum benefit from the purchasing power of the State; | | |
| 21 22 | (8) simplifying, clarifying, and modernizing the law that governs State procurement; | | |
| 23 24 | (9) allowing the continued development of procurement regulations, policies, and practices in the State; and | | |
| 25 26 | (10) promoting development of uniform State procurement procedures to the extent possible. | | |
| 27 | 13–202. | | |
| 28 29 | (a) After a solicitation is issued and until a recommendation is made by a procurement officer, a procurement officer may disclose to a person outside the Executive | | |

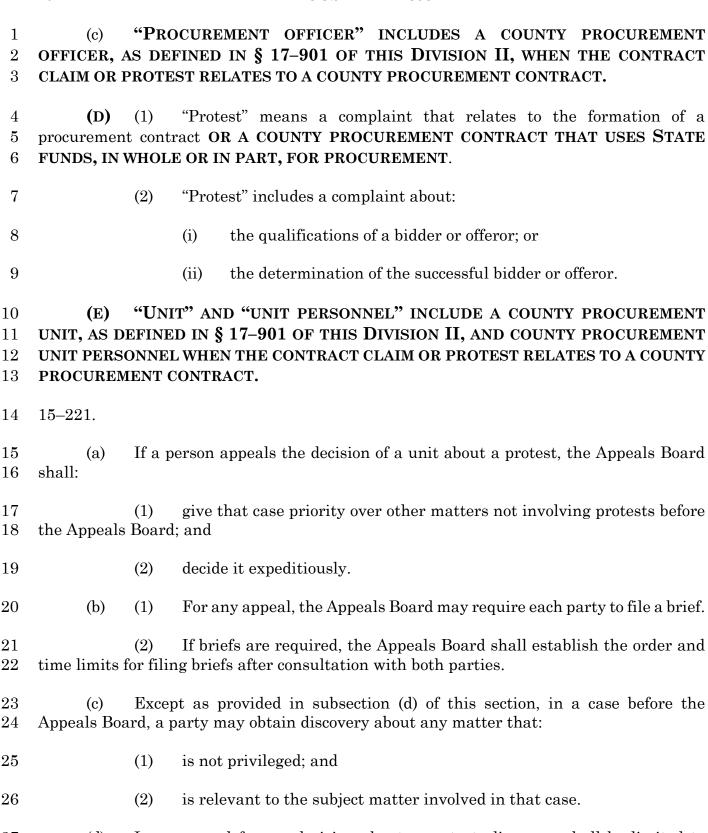
| 1 | (1) | whether a decision has been made regarding a solicitation; and | |
|----------------------|--|--|--|
| 2 3 | (2) through 5 of the | information that is available to the public under Title 4, Subtitles 1 General Provisions Article. | |
| 4 5 6 | (b) After a solicitation is issued, a procurement officer shall record and include in the procurement file the following information from an inquiry from a source outside the Executive Department: | | |
| 7 | (1) | the date and time of the inquiry; | |
| 8 | (2) | the name and affiliation of the person making the inquiry; and | |
| 9 | (3) | the substance and nature of the inquiry. | |
| 0 | (c) A pr | ocurement officer shall maintain a file on each procurement that includes: | |
| $\frac{1}{2}$ | this section; (1) | a record of all inquiries required to be recorded under subsection (b) of | |
| 13 | (2) | all written solicitations by an agency or unit; | |
| 4 | (3) | all offers received; | |
| 15 | (4) | all internal and external correspondence regarding the procurement; | |
| 16 17 18 | (5) to confirm the in and | written documentation from the procurement officer describing efforts formation in the affidavits submitted by the successful bidder or offeror; | |
| 9 | (6) | the final contract. | |
| 20 21 22 23 | APPROVING A PROCUREMENT CONTRACT, A PROCUREMENT OFFICER SHALL | | |
| 24 25 | (1) RECOMMENDED | | |
| 26 27 | (2) AND FINANCIAL | , | |
| 28 | (3) | UNLESS IT IS DETERMINED THAT DISCLOSURE WOULD BE | |

INCONSISTENT WITH THE PURPOSES AND POLICIES OF § 11-201(A) OF THIS

29

- 1 DIVISION II, THE BID PRICES OR FINANCIAL PROPOSALS, INCLUDING UNIT PRICES;
- 2 AND
- 3 (4) THE MINORITY BUSINESS ENTERPRISE PARTICIPATION 4 SCHEDULE, AS DEFINED IN § 14–301 OF THIS DIVISION II.
- 5 13-206.
- 6 (a) (1) A procurement officer shall reject a bid or proposal if the procurement 7 officer determines that:
- 8 (i) the bid is nonresponsive or the proposal is unacceptable; or
- 9 (ii) the bidder or offeror is not responsible.
- 10 (2) The procurement officer shall include a determination under this subsection in the procurement file.
- 12 (b) (1) [If] SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION,
 13 IF, with the approval of the Board, a unit determines that it is fiscally [advantageous or
 14 otherwise in the best interests of the State] NECESSARY OR CONSISTENT WITH THE
 15 PURPOSES AND POLICIES OF § 11–201(A) OF THIS DIVISION II, the unit may:
- 16 **[**(1)**] (I)** cancel an invitation for bids, a request for proposals, or other 17 solicitation; or
- 18 [(2)] (II) reject all bids or proposals.
- 19 (2) BEFORE TAKING AN ACTION AUTHORIZED UNDER PARAGRAPH (1)
 20 OF THIS SUBSECTION, A UNIT SHALL MAKE A WRITTEN DETERMINATION THAT THE
 21 ACTION IS FISCALLY NECESSARY OR CONSISTENT WITH THE PURPOSES AND
 22 POLICIES OF § 11–201(A) OF THIS DIVISION II AND INCLUDE THE DETERMINATION
 23 IN THE PROCUREMENT FILE.
- 24 (3) A UNIT MAY NOT TAKE AN ACTION AUTHORIZED UNDER 25 PARAGRAPH (1) OF THIS SUBSECTION IN ORDER TO AVOID A DECISION ON A 26 PENDING PROTEST REGARDING THE FORMATION OF A PROCUREMENT CONTRACT, 27 UNLESS THE DISPUTE REVEALS A COMPELLING REASON FOR THE ACTION.
- (C) (1) IN THE EVENT OF AN APPEAL FROM THE FINAL DECISION OF A
 UNIT ON A PROTEST REGARDING AN ACTION TAKEN UNDER SUBSECTION (B) OF THIS
 SECTION, THE MARYLAND STATE BOARD OF CONTRACT APPEALS MAY NOT AFFIRM
 THE UNIT'S ACTION UNLESS THE UNIT PROVES, BY CLEAR AND CONVINCING
 EVIDENCE, THAT THE ACTION IS FISCALLY NECESSARY OR CONSISTENT WITH THE
 PURPOSES AND POLICIES OF § 11–201(A) OF THIS DIVISION II.

- 1 (2) THE MARYLAND STATE BOARD OF CONTRACT APPEALS SHALL
 2 AWARD DAMAGES TO COMPENSATE A SUCCESSFUL APPELLANT IN AN APPEAL
 3 UNDER THIS SUBSECTION FOR COSTS INCURRED BY THE APPELLANT TO FILE AND
 4 PURSUE THE PROTEST AND SUCCESSFUL APPEAL, INCLUDING REASONABLE
 5 ATTORNEY'S FEES, FEES FOR EXPERT WITNESSES, AND FEES FOR TECHNICAL
 6 CONSULTANTS.
- 7 **[(c)] (D)** A procurement officer may determine that a person is not a responsible 8 bidder or offeror for:
- 9 (1) unreasonable failure to supply information promptly in connection with 10 a determination of responsibility under subsection (a) of this section; or
- 11 (2) any other reason indicating that the person does not have:
- 12 (i) the capability in all respects to perform fully the requirements 13 for a procurement contract; or
- 14 (ii) the integrity and reliability that will ensure good faith 15 performance.
- 16 15–202.
- 17 **(A)** Except to the extent authorized by regulation by the Board, this subtitle does not apply to a protest concerning any act or omission by a procurement agency under Title 19 14, Subtitle 6 of this article.
- 20 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THIS SUBTITLE 21 APPLIES TO A PROTEST OR CONTRACT CLAIM INVOLVING ANY COUNTY 22 PROCUREMENT CONTRACT THAT IS SUBJECT TO TITLE 17, SUBTITLE 9 OF THIS 23 DIVISION II.
- 24 15–215.
- 25 (a) In this Part III of this subtitle the following words have the meanings 26 indicated.
- 27 (b) (1) "Contract claim" means a claim that relates to a procurement contract 28 OR A COUNTY PROCUREMENT CONTRACT THAT USES STATE FUNDS, IN WHOLE OR IN 29 PART, FOR PROCUREMENT.
- 30 (2) "Contract claim" includes a claim about the performance, breach, 31 modification, or termination of the procurement contract **OR COUNTY PROCUREMENT** 32 **CONTRACT**.



(d) In an appeal from a decision about a protest, discovery shall be limited to requests for the production of documents unless the Appeals Board determines that [extraordinary circumstances require additional limited discovery to avoid substantial unfairness or prejudice] PARTICULAR CIRCUMSTANCES EXIST THAT SUPPORT

- 1 ADDITIONAL DISCOVERY, CONSISTENT WITH THE PROCEDURES OF THE CIRCUIT 2 COURT.
- 3 (e) In an appeal from a decision about a contract claim, unless both parties agree 4 to a longer period, the Appeals Board shall issue its final decision within [180] **120** days 5 after the day on which:
- 6 (1) all briefs have been filed; or
- 7 (2) if later, the record has been closed.
- 8 15-221.1.
- 9 (a) The [Board of Contract Appeals may] APPEALS BOARD SHALL award a prospective bidder or offeror, a bidder, or an offeror the reasonable costs of filing and pursuing a protest, [not] including attorney's fees, FEES FOR EXPERT WITNESSES, AND FEES FOR TECHNICAL CONSULTANTS, if:
- 13 (1) the prospective bidder or offeror, bidder, or offeror appeals the final action of an agency on a protest;
- 15 (2) the [Board of Contract Appeals] **APPEALS BOARD** sustains the appeal; 16 and
- 17 (3) the [Board of Contract Appeals] **APPEALS BOARD** finds that there has been a violation of law or regulation.
- 19 (b) The [Board of Contract Appeals] **APPEALS BOARD** shall adopt regulations to 20 implement this section and to determine what constitutes reasonable costs of filing and 21 pursuing a protest.
- 22 15–221.2.
- 23 (a) [This section only applies to a claim resulting under a contract for 24 construction.
- 25 (b)] The Appeals Board may award to a contractor the reasonable costs of filing 26 and pursuing a claim, including reasonable attorney's fees, if the Appeals Board finds that 27 the conduct of unit personnel in processing a contract claim is in bad faith, IS 28 INCONSISTENT WITH THE PURPOSES AND POLICIES OF § 11–201(A) OF THIS 29 DIVISION II, or without substantial justification.
- 30 [(c)] (B) The Appeals Board shall adopt regulations to implement this section.
- 31 SUBTITLE 9. COUNTY PROCUREMENTS USING STATE FUNDS.

- 1 **17–901.**
- 2 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS 3 INDICATED.
- 4 (B) "APPEALS BOARD" MEANS THE MARYLAND STATE BOARD OF 5 CONTRACT APPEALS.
- 6 (C) "COUNTY PROCUREMENT CONTRACT" MEANS AN AGREEMENT IN ANY FORM ENTERED INTO BY A COUNTY PROCUREMENT UNIT FOR PROCUREMENT.
- 8 (D) "COUNTY PROCUREMENT OFFICER" MEANS AN INDIVIDUAL 9 AUTHORIZED BY A COUNTY PROCUREMENT UNIT TO:
- 10 (1) ENTER INTO A COUNTY PROCUREMENT CONTRACT;
- 11 (2) ADMINISTER A COUNTY PROCUREMENT CONTRACT; OR
- 12 (3) MAKE DETERMINATIONS AND FINDINGS WITH RESPECT TO A 13 COUNTY PROCUREMENT CONTRACT.
- 14 (E) "COUNTY PROCUREMENT UNIT" MEANS AN OFFICER OR OTHER ENTITY
- 15 OF A COUNTY GOVERNMENT THAT IS AUTHORIZED TO ENTER INTO A COUNTY
- 16 PROCUREMENT CONTRACT.
- 17 **17–902.**
- 18 (A) THIS SUBTITLE APPLIES ONLY TO COUNTY PROCUREMENT CONTRACTS
 19 THAT USE STATE FUNDS, IN WHOLE OR IN PART, FOR PROCUREMENT.
- 20 (B) THE PURPOSES AND POLICIES LISTED IN § 11–201(A) SHALL BE
- 21 INTERPRETED TO APPLY TO COUNTY PROCUREMENT CONTRACTS THAT USE STATE
- 22 FUNDS, IN WHOLE OR IN PART, FOR PROCUREMENT.
- 23 **17–903.**
- 24 AFTER THE BOARD APPROVES A COUNTY PROCUREMENT CONTRACT OR, IF
- 25 BOARD APPROVAL IS NOT REQUIRED UNDER LAW, AFTER EXECUTING AND
- 26 APPROVING A COUNTY PROCUREMENT CONTRACT, A COUNTY PROCUREMENT
- 27 OFFICER SHALL EXPEDITIOUSLY DISCLOSE:
- 28 (1) THE NAME OF ANY SUCCESSFUL BIDDER OR OFFEROR
- 29 RECOMMENDED FOR AWARD;

- 1 (2) THE RANKING AND NUMERICAL RATINGS, IF ANY, OF TECHNICAL 2 AND FINANCIAL PROPOSALS;
- 3 (3) UNLESS IT IS DETERMINED THAT DISCLOSURE WOULD BE 4 INCONSISTENT WITH THE PURPOSES AND POLICIES OF § 11–201(A) OF THIS
- 5 DIVISION II, THE BID PRICES OR FINANCIAL PROPOSALS, INCLUDING UNIT PRICES;
- 6 AND
- 7 (4) (I) THE MINORITY BUSINESS ENTERPRISE PARTICIPATION 8 SCHEDULE, AS DEFINED IN § 14–301 OF THIS ARTICLE; OR
- 9 (II) THE PARTICIPATION SCHEDULE FOR ANY SIMILAR 10 MINORITY BUSINESS ENTERPRISE PROGRAM ADMINISTERED BY THE COUNTY.
- 11 **17–904.**
- 12 (A) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, IF,
- 13 WITH THE APPROVAL OF THE REVIEWING AUTHORITY OF THE COUNTY, A COUNTY
- 14 PROCUREMENT UNIT DETERMINES THAT IT IS FISCALLY NECESSARY OR
- 15 CONSISTENT WITH THE PURPOSES AND POLICIES OF § 11–201(A) OF THIS DIVISION
- 16 II, THE COUNTY PROCUREMENT UNIT MAY:
- 17 (I) CANCEL AN INVITATION FOR BIDS, A REQUEST FOR
- 18 PROPOSALS, OR OTHER SOLICITATION; OR
- 19 (II) REJECT ALL BIDS OR PROPOSALS.
- 20 (2) BEFORE TAKING AN ACTION AUTHORIZED UNDER PARAGRAPH (1)
- 21 OF THIS SUBSECTION, A COUNTY PROCUREMENT UNIT SHALL MAKE A WRITTEN
- 22 DETERMINATION THAT THE ACTION IS FISCALLY NECESSARY OR CONSISTENT WITH
- 23 THE PURPOSES AND POLICIES OF § 11–201(A) OF THIS DIVISION II AND INCLUDE
- 24 THE DETERMINATION IN THE COUNTY'S PROCUREMENT RECORD.
- 25 (3) A COUNTY PROCUREMENT UNIT MAY NOT TAKE AN ACTION
- 26 AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN ORDER TO AVOID A
- 27 DECISION ON A PENDING PROTEST REGARDING THE FORMATION OF A COUNTY
- 28 PROCUREMENT CONTRACT, UNLESS THE DISPUTE REVEALS A COMPELLING REASON
- 29 FOR THE ACTION.
- 30 (B) (1) IN THE EVENT OF AN APPEAL FROM THE FINAL DECISION OF A
- 31 COUNTY PROCUREMENT UNIT ON A PROTEST REGARDING AN ACTION TAKEN UNDER
- 32 SUBSECTION (A) OF THIS SECTION, THE APPEALS BOARD MAY NOT AFFIRM THE

- 1 COUNTY PROCUREMENT UNIT'S ACTION UNLESS THE COUNTY PROCUREMENT UNIT
- 2 PROVES, BY CLEAR AND CONVINCING EVIDENCE, THAT THE ACTION IS FISCALLY
- 3 NECESSARY OR CONSISTENT WITH THE PURPOSES AND POLICIES OF § 11–201(A) OF
- 4 THIS DIVISION II.
- 5 (2) THE APPEALS BOARD SHALL AWARD DAMAGES TO COMPENSATE
- 6 A SUCCESSFUL APPELLANT IN AN APPEAL UNDER THIS SUBSECTION FOR COSTS
- 7 INCURRED BY THE APPELLANT TO FILE AND PURSUE THE PROTEST AND
- 8 SUCCESSFUL APPEAL, INCLUDING REASONABLE ATTORNEY'S FEES, FEES FOR
- 9 EXPERT WITNESSES, AND FEES FOR TECHNICAL CONSULTANTS.
- 10 **17–905.**
- IN ACCORDANCE WITH TITLE 15, SUBTITLE 2 OF THIS DIVISION II, THE
- 12 APPEALS BOARD SHALL HAVE JURISDICTION TO HEAR AND DECIDE ALL APPEALS
- 13 ARISING FROM THE FINAL ACTION OF A COUNTY PROCUREMENT UNIT ON A PROTEST
- 14 OR CONTRACT CLAIM CONCERNING A COUNTY PROCUREMENT CONTRACT THAT IS
- 15 SUBJECT TO THIS SUBTITLE.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 17 October 1, 2022.