P2

5lr2867

Cardin, Edelson, Embry, Hornberger, Bv: Delegates Tomlinson, Boafo, Hutchinson, Spiegel, and Stonko

Introduced and read first time: January 24, 2025 Assigned to: Health and Government Operations

A BILL ENTITLED

T	AN ACT concerning		

Procurement – Master Contracting – Authorization

3 FOR the purpose of increasing the number of units that are authorized to adopt the master 4 contracting method of procurement; and generally relating to the use of master $\mathbf{5}$ contracting for State procurement.

- 6 BY repealing and reenacting, with amendments,
- 7 Article – State Finance and Procurement
- 8 Section 13-101, 13-113, and 13-114
- 9 Annotated Code of Maryland
- 10 (2021 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 11 That the Laws of Maryland read as follows: 12

1	3	

 $\mathbf{2}$

Article – State Finance and Procurement

- 14 13-101.
- In this subtitle the following words have the meanings indicated. 15(a)
- 16 (b) "Designated procurement unit" means:
- 17the Department of General Services; (1)
- 18 (2)the Department of Transportation; or

(3)19 the Department of Information Technology, only with respect to an 20information technology master contract executed before July 1, 2022, until the earlier of:



(i) the expiration date of all information technology master 1 $\mathbf{2}$ contracts: or 3 (ii) June 30, 2027. 4 "eMaryland Marketplace" or "eMaryland Marketplace Advantage" means the (c) Internet-based procurement system managed by the Department of General Services. $\mathbf{5}$ 6 [(d)] (C) "Evaluated bid price" means the price of a bid after adjustment in 7 accordance with objective measurable criteria. 8 "Master contracting" means a streamlined procurement method that [(e)] **(D)** provides for the qualification of bidders and offerors for the procurement of services, 9 supplies, or commodities. 10 11 [(f)] **(E)** (1)"Objective measurable criteria" means standards that enable the 12State to compare the economy, effectiveness, or value of the subject of the bids. "Objective measurable criteria" includes standards of reliability, 13(2)14operational costs, maintainability, useful life, and residual value. "Pay-for-success 15[(g)] **(F)** contracting" means a performance-based 16procurement method through which a unit contracts with an organization to deliver 17services or commodities in exchange for payment based on the achievement of outcomes. [(h)] (G) "Person" includes, unless the context requires otherwise: 18 the State; 19 (1)20(2)a county, a municipal corporation, or any other political subdivision; 21and 22(3)any unit of the State government or a political subdivision. 23(i)] (H) "Task order" means a procurement process in which only those vendors with master contracts may compete to provide the services, supplies, or commodities under 2425the procurement. 2613 - 113.27[The designated procurement units] A UNIT may adopt master contracting, a (a) 28streamlined procurement method, to provide for the qualification of an offeror in one or 29more categories of services, supplies, or commodities.

 $\mathbf{2}$

1 (b) If a [designated procurement] unit adopts master contracting, the master 2 contracting method shall include:

3 (1) the categories of services, supplies, or commodities in which an offeror 4 may submit a proposal for qualification;

5 (2) a procedure for the consideration and approval of proposals for 6 qualification of multiple offerors in each category of services, supplies, or commodities;

7 (3) the execution of a standard contract for a specified period of time 8 between the State and an offeror approved as a master contractor; and

9 (4) a performance evaluation procedure to be used by a unit [of the 10 Executive Branch] to evaluate the performance of a qualified offeror that has completed 11 work on a task order.

12 (c) (1) A unit [of the Executive Branch] that requires services, supplies, or 13 commodities covered under a master contract may issue a solicitation for a task order to a 14 master contractor consistent with the regulations adopted under § 13–114 of this subtitle.

15 (2) Except as provided in subsection (f) of this section, the solicitation for a 16 task order shall include a statement of the:

17 (i) factors that will be used in evaluating a master contractor's18 response; and

- 19
- (ii) relative importance of each factor.

(d) (1) Except as provided in subsection (f) of this section, if the unit [of the
Executive Branch] expects that the total cost of the services, supplies, or commodities will
exceed \$100,000, the unit shall issue a solicitation for a task order to all master contractors
in the appropriate category established by the [designated procurement] unit.

(2) If the unit [of the Executive Branch] expects that the total cost of the
services, supplies, or commodities will be \$100,000 or less, the unit shall issue a solicitation
for a task order to a minimum of six qualified master contractors or all master contractors,
whichever is less, in the appropriate category established by the [designated procurement]
unit.

(e) Except as provided in subsection (f) of this section, after a unit [of the Executive Branch] receives responses from master contractors to a solicitation for a task order, the unit shall evaluate the responses and may select a master contractor based on the response that is determined to be the most advantageous to the State considering the evaluation factors set forth in the task order.

The requirements of subsections (c)(2), (d), and (e) of this section do not apply 1 (f) $\mathbf{2}$ to a master contract for construction if the master contract:

3 (1)is awarded through a competitive process in accordance with this subtitle; and 4

- $\mathbf{5}$ (2)states:

6

how task orders will be awarded; and (i)

 $\overline{7}$ (ii) the maximum number of qualified contractors that will be 8 awarded a master contract for construction.

9 13 - 114.

4

The Board shall adopt regulations in accordance with Title 10, Subtitle 1 of 10 (a) 11 the State Government Article to establish a uniform process for the solicitation of master 12contracts and task orders.

13Each [designated procurement] unit shall ensure compliance with the (b) regulations set forth in subsection (a) of this section. 14

15SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 16October 1, 2025.