

# HOUSE BILL 587

P2, P1, R2  
HB 578/25 – APP & ENT

6lr0903

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By: **Delegates Phillips, Alston, Crutchfield, Hill, Kaufman, Mireku–North, Patterson, Roberts, Ruff, Stinnett, Woods, and Wu**

Introduced and read first time: January 28, 2026

Assigned to: Government, Labor, and Elections

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2026

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Procurement – Department of Transportation and Maryland Transportation**  
3 **Authority Contracts – Board of Public Works Contract Authority**

4 FOR the purpose of authorizing the Board of Public Works to control certain procurement  
5 contracts by the Department of Transportation and the Maryland Transportation  
6 Authority valued at or above a certain amount; requiring the Board to adopt  
7 regulations for the review of a contract modification for certain procurement  
8 contracts by the Department or the Authority; and generally relating to procurement  
9 contracts and the Department of Transportation and the Maryland Transportation  
10 Authority.

11 BY repealing and reenacting, with amendments,  
12 Article – State Finance and Procurement  
13 Section 4–415, 10–202, 12–101(a), 12–103, 12–107(a), 12–108, and 12–202(a)  
14 Annotated Code of Maryland  
15 (2021 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – State Finance and Procurement  
18 Section 12–101(b) and 12–107(b)(3)  
19 Annotated Code of Maryland  
20 (2021 Replacement Volume and 2025 Supplement)

21 BY adding to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – State Finance and Procurement  
2 Section 12–101(e), 12–107(c), and 12–202(h)  
3 Annotated Code of Maryland  
4 (2021 Replacement Volume and 2025 Supplement)

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

7 **Article – State Finance and Procurement**

8 4–415.

9 (a) This section does not apply to any capital expenditures by the Department of  
10 Transportation or the Maryland Transportation Authority in connection with State roads,  
11 bridges, or highways **VALUED BELOW ~~\$500,000~~ \$5,000,000**.

12 (b) Before execution, a contract for the acquisition of land shall be:

13 (1) reviewed by the Secretary of General Services; and

14 (2) except as provided in § 12–204 of this article, after that review,  
15 approved by the Board of Public Works.

16 (c) (1) This subsection does not apply to any capital expenditure **VALUED**  
17 **BELOW ~~\$500,000~~ \$5,000,000** by:

18 (i) the Maryland Aviation Administration;

19 (ii) the Maryland Port Administration; or

20 (iii) the Maryland Transit Administration.

21 (2) At least 40 days before the Board of Public Works may act on a land  
22 acquisition, the Division shall give written notice of a potential acquisition of land:

23 (i) to the governing body of the county in which the land is located;  
24 and

25 (ii) if the land is located within a municipal corporation, to the  
26 governing body of the municipal corporation.

27 (3) Within 30 days after receiving notice under this subsection, the  
28 governing body may submit written comments to the Division.

1           **(4) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR**  
2 **THE REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A**  
3 **CAPITAL EXPENDITURE IDENTIFIED IN PARAGRAPH (1) OF THIS SUBSECTION.**

4           (d) The Board of Public Works shall supervise the expenditure of any money that  
5 the General Assembly appropriates for the acquisition of land.

6 10-202.

7           (a) This section does not apply to property to be acquired in connection with State  
8 roads, bridges, or highways ~~VALUED BELOW \$500,000~~ **\$5,000,000.**

9           (b) Subject to Title 12 of the Real Property Article, the Board may condemn  
10 property for State use.

11           (c) The Department of General Services, with the approval of the Board, shall  
12 adopt regulations in accordance with Title 10, Subtitle 1 of the State Government Article  
13 that establish a uniform method of determining the value of any applicable life estate  
14 discount for property condemned in accordance with this section.

15           **(D) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR THE**  
16 **REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR AN**  
17 **ACQUISITION IDENTIFIED IN SUBSECTION (A) OF THIS SECTION.**

18 12-101.

19           (a) This section does not apply to:

20           (1) capital expenditures by the Department of Transportation or the  
21 Maryland Transportation Authority, in connection with State roads, bridges, or highways,  
22 as provided in § 12-202 of this title, ~~VALUED BELOW \$500,000~~ **\$5,000,000;** or

23           (2) procurements by the Department of General Services for the purpose of  
24 modernizing cybersecurity infrastructure for the State valued below \$1,000,000.

25           (b) (1) The Board may control procurement by units.

26           (2) To implement the provisions of this Division II, the Board may:

27           (i) set policy;

28           (ii) adopt regulations, in accordance with Title 10, Subtitle 1 of the  
29 State Government Article; and

30           (iii) establish internal operational procedures consistent with this  
31 Division II.

1 (3) The Board shall ensure that the regulations of the primary  
2 procurement units provide for procedures that are consistent with this Division II and Title  
3 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the  
4 circumstances of a particular type of procurement or a particular unit do not require  
5 otherwise, are substantially the same.

6 (4) The Board may delegate any of its authority that it determines to be  
7 appropriate for delegation and may require prior Board approval for specified procurement  
8 actions.

9 (5) Except as limited by the Maryland Constitution, the Board may  
10 exercise any control authority conferred on a primary procurement unit by this Division II  
11 and, to the extent that its action conflicts with the action of the primary procurement unit,  
12 the action of the Board shall prevail.

13 **(E) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR THE**  
14 **REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A CAPITAL**  
15 **EXPENDITURE IDENTIFIED IN SUBSECTION (A)(1) OF THIS SECTION.**

16 12-103.

17 (a) This section does not apply to capital expenditures by the Department of  
18 Transportation or the Maryland Transportation Authority, in connection with State roads,  
19 bridges, or highways, as provided in § 12-202 of this title, **VALUED BELOW ~~\$500,000~~**  
20 **\$5,000,000.**

21 (b) Notwithstanding any delegation of authority under § 12-101 of this subtitle,  
22 the Board retains full authority to engage in procurement of services and supplies for itself.

23 (c) By resolution, the Board may authorize a Board member or a unit to exercise  
24 all or any part of the authority of the Board for a specific Board procurement or for a  
25 particular class of Board procurements.

26 **(D) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR THE**  
27 **REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A CAPITAL**  
28 **EXPENDITURE IDENTIFIED IN SUBSECTION (A) OF THIS SECTION.**

29 12-107.

30 (a) This section does not apply to capital expenditures by the Department of  
31 Transportation or the Maryland Transportation Authority, in connection with State roads,  
32 bridges, or highways, as provided in § 12-202 of this title, **VALUED BELOW ~~\$500,000~~**  
33 **\$5,000,000.**

1 (b) Subject to the authority of the Board, jurisdiction over procurement is as  
2 follows:

3 (3) the Department of Transportation and the Maryland Transportation  
4 Authority, without the approval of any of the other primary procurement units, may engage  
5 in the procurement of:

6 (i) construction that is related to transportation, as provided in the  
7 Transportation Article;

8 (ii) construction related services that are related to transportation,  
9 as provided in the Transportation Article;

10 (iii) architectural or engineering services that are related to  
11 transportation, under Title 13, Subtitle 3 of this article;

12 (iv) supplies for transportation-related activities, including  
13 information technology supplies that are subject to Title 3.5 of this article, but excluding:

14 1. supplies funded by the proceeds from State general  
15 obligation bonds; and

16 2. insurance;

17 (v) services for transportation-related activities, including  
18 information technology services that are subject to Title 3.5 of this article, but excluding  
19 banking and financial services under the authority of the State Treasurer under item (1) of  
20 this subsection;

21 (vi) rolling stock and other property peculiar to the operation of a  
22 transit system, as provided in § 7-403 of the Transportation Article;

23 (vii) supplies for aeronautics related activities, including motor  
24 vehicles and information processing supplies, but excluding:

25 1. supplies funded by the proceeds from State general  
26 obligation bonds; and

27 2. insurance; and

28 (viii) services for aeronautics related activities, including information  
29 processing services, but excluding banking and financial services under the authority of the  
30 State Treasurer under item (1) of this subsection; and

31 **(C) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR THE**  
32 **REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A CAPITAL**  
33 **EXPENDITURE IDENTIFIED IN SUBSECTION (A) OF THIS SECTION.**

1 12-108.

2 (a) This section does not apply to capital expenditures by the Department of  
3 Transportation or the Maryland Transportation Authority, in connection with State roads,  
4 bridges, or highways, as provided in § 12-202 of this title, ~~VALUED BELOW \$500,000~~  
5 **\$5,000,000.**

6 (b) Subject to the approval of the Board and under the coordination of the  
7 Governor, each of the primary procurement units shall:

8 (1) adopt regulations to carry out this Division II;

9 (2) send to the Board a copy of each proposed regulation under item (1) of  
10 this subsection; and

11 (3) send to the Board a copy of each internal operating procedure that the  
12 primary procurement unit adopts.

13 **(C) AS PART OF THE REGULATIONS REQUIRED UNDER SUBSECTION (B) OF**  
14 **THIS SECTION, THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR**  
15 **THE REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A**  
16 **CAPITAL EXPENDITURE IDENTIFIED IN SUBSECTION (A) OF THIS SECTION.**

17 12-202.

18 (a) This section does not apply to capital expenditures:

19 (1) for public school construction under Title 5, Subtitle 3 of the Education  
20 Article; or

21 (2) by the Department of Transportation or the Maryland Transportation  
22 Authority, in connection with State roads, bridges, or highways ~~VALUED BELOW \$500,000~~  
23 **\$5,000,000.**

24 **(H) THE BOARD OF PUBLIC WORKS SHALL ADOPT REGULATIONS FOR THE**  
25 **REVIEW OF A CONTRACT MODIFICATION VALUED ABOVE \$1,000,000 FOR A CAPITAL**  
26 **EXPENDITURE IDENTIFIED IN SUBSECTION (A)(2) OF THIS SECTION.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2026.