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February 1, 2021

The Honorable Paul G. Pinsky
Senate Education, Health, and Environmental Affairs Committee
2 West
Miller Senate Office Building
Annapolis, Maryland 21401

Dear Chairman Pinsky,

I am writing on behalf of the Southern Maryland Minority Chamber of Commerce (SMMCOC) to voice our support for SB157 – Procurement – Specialized Printing Services Contracts – Board of Public Works Approval. As a regional voice for small, minority, women, and veteran owned businesses across Southern Maryland, we are very in tune with the struggles and hardships that many business owners in our communities face. For the last seven years, we have sought to protect the interests of these local businesses while promoting development and innovation across Calvert County, Charles County, St. Mary's County and Southern Prince George's County. As an all-volunteer foundation, the Covid-19 pandemic has been exceptionally hard on the SMMCOC and our members. Nevertheless, we have seen the promising growth our region has made in recent years, and we are hopeful that the State of Maryland will continue to protect small, minority, women, and veteran owned businesses.

Many in our region have benefited from Board of Public Works procurement. This bill would expand the possibilities of procurement and business opportunity to include specialized printing services. This last election has shown us how important local involvement in the election process is. For these reasons, we are respectfully requesting the Committee's **FAVORABLE** consideration of the bill.

Sincerely,

Doris Cammack-Spencer President/CEO

2021 SB 157 Specialized Printing Services DGS LOI Uploaded by: Robertson, Ellen

Position: INFO

Larry Hogan Governor

Boyd K. Rutherford Lt Governor



Ellington E. Churchill, Jr. Secretary

Nelson E. Reichart Deputy Secretary

OFFICE OF THE SECRETARY _____

BILL: Senate Bill 157

Procurement – Specialized Printing Services Contracts – Board of Public

Works Approval

COMMITTEE: Senate Education, Health and Environmental Affairs

DATE: February 3, 2021

POSITION: Letter of Information

Upon review of Senate Bill 157 – Procurement – Specialized Printing Services Contracts – Board of Public Works Approval, the Department of General Services (DGS) provides these comments for your consideration.

Senate Bill 157 establishes a new category of "Specialized Printing Services" within State Finance and Procurement Article, § 11-101 and prohibits the Board of Public Works (BPW) from delegating procurement of Specialized Printing Services. Senate Bill 157 also lists Specialized Printing Services as services rather than commodities. Under current law, printing services are defined as commodities. The changes under Senate Bill 157 would have the following impacts:

- As noted above, Senate Bill 157 prohibits BPW to delegate the approval of procurements for Specialized Printing Services and would categorize Specialized Printing Services as services. These changes would require DGS to control and directly oversee these procurements. There would be a significant increase in the workload within the Office of State Procurement (OSP) requiring additional procurement officers as well as additional staff to manage BPW agenda preparation.
- Under Senate Bill 157, "Specialized Printing Services" include ballots and documents
 containing personally identifiable information (PII). This would require an extensive
 effort by DGS to identify printing contracts containing PII. The number of contracts
 containing PII is unknown, but likely includes contracts procured by most state
 agencies using delegated authority.
- Many of these contracts may be <u>under \$50,000</u> which is within current agency delegated authority or <u>under \$200,000</u> which is within BPW's delegated authority to DGS for preferred provided providers. Also, many of these printing contracts are <u>one-time only purchases</u>. Therefore, retaining BPW's ability to delegate authority to agencies may be the more sensible approach.



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- Senate Bill 157 may negatively affect the time to award Specialized Printing Services. BPW meetings are held every two weeks so the cycle time for completing procurements would be extended based upon when the contract award could be presented to BPW for approval. The workload and cycle time for the additional reviews and approval of these contracts would impact OSP and using agencies both operationally and fiscally.
- <u>Senate Bill 157 may negatively affect small businesses.</u> Most printing contracts are small procurements designated as "Small Business Reserve" and preferred provider procurements that are generally awarded to small and disadvantaged small businesses. Delaying printing contracts due to the requirement of additional approvals may negatively affect vendors' revenues.

For additional information, contact Ellen Robertson at 410-260-2908.