

CALVERT COUNTY BOARD OF COUNTY COMMISSIONERS

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Board of Commissioners

Christopher J. Gadway Earl F. Hance Mike Hart Kelly D. McConkey Steven R. Weems

March 29, 2022

VIA ELECTRONIC MAIL

The Honorable Senator Guy Guzzone, Chair Budget and Taxation Committee 3 West Miller Senate Office Building Annapolis, Maryland 21401

Re: HB914 – Calvert County - Procurement - Award of Multiyear Contracts

Senator Guzzone:

We write today to **SUPPORT** HB914 and request a **FAVORABLE** Committee report. This Bill represents our request that Title 6 of the <u>Code of Public Local Laws of Maryland</u>, <u>Calvert County (Article 5)</u> authorize the Board of County Commissioners of Calvert County to award multi-year contracts for classes of goods and services already defined in the Public Local Law.

As drafted today, the <u>Public Local Laws of Maryland</u> recognizes there can be public benefit in multiyear contracts in certain, limited circumstances. Those circumstances are: (1) banking and investment services; (2) retirement and pension system management; (3) health insurance contracts; and (4) software contracts. The current law, however, limits these contracts to single-year contracts that may be renewed up to 19 times. Therefore, true multiyear contracts are disallowed, and, in scenarios where a true multiyear contract would be advantageous, current legislation precludes the County from realizing that benefit.

Without extending the existing maximum contracting period of 20 years, this Bill allows the initial and renewal terms to be longer than 1 year, so long as the initial and all renewal terms do not exceed 20 years. This Bill also clarifies that software category includes information technology, of which software, voice, data and internet services are a part. Thank you for your kind consideration of our position regarding this important Bill.

Sincerely,

BOARD OF COUNTY COMMISSIONERS CALVERT COUNTY, MD

Earl F. Hance

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