

BILL: **Senate Bill 194**
State Procurement - Maryland Correctional Enterprises – Waiver

COMMITTEE: House Government Operations

DATE: March 26, 2024

POSITION: Support, as amended

Upon review of Senate Bill 194 - State Procurement - Maryland Correctional Enterprises - Waiver, the Maryland Department of General Services (DGS) provides these comments for your consideration.

The bill requires the Department of General Services to grant a waiver to a state or state aided or controlled entity required to purchase supplies or services from the Maryland Correctional Enterprises (MCE) for the procurement of supplies and services if MCE's price for the needed supplies or services is at least 10% above market rates for similar supplies and services; or the time at which the needed supplies and services would be delivered by MCE does not meet the entity's needs.

DGS supports this flexibility for state purchases and offered an amendment in the Senate to make such a process more efficient. The Pricing and Selection Committee (PSC) oversees the Preferred Providers' price lists and procurement contracts and should be the entity to grant the requested waivers. The Senate amended the bill to provide PSC oversight of the waiver process, as it would allow State agencies to move forward with their procurements, either with the Preferred Provider or competitively.

For additional information, contact Ellen Robertson at Ellen.Robertson@maryland.gov or 410-260-2908 or Lisa Nissley at Lisa.Nissley1@maryland.gov or 410-260-2922.