



**HEALTH AND GOVERNMENT OPERATIONS COMMITTEE**  
**Senate Bill 194**  
**State Procurement - Maryland Correctional Enterprises - Waiver**  
**March 26, 2024**  
**Favorable**

Chair Pena-Melnyk, Vice Chair Cullison and members of the committee, thank you for the opportunity to offer testimony in support of Senate Bill 194.

The University System of Maryland (USM) is comprised of twelve distinguished institutions, and three regional centers. We award eight out of every ten bachelor's degrees in the State. Each of University USM's 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from Western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

The relationship between the USM and Maryland Correctional Enterprises (MCE) has been long and productive in duration. Senate Bill 194 requires the Department of General Services (DGS) to grant waivers from statutory requirements for certain state entities to purchase supplies or services first from MCE. This legislation expands the current waiver process to address cost and timing issues and provides more flexibility to state agencies required to utilize MCE goods and services.

The USM is required to determine whether an item, such as furniture, offered by MCE is comparable to products offered by private vendors. As with other state agencies required to use MCE for purchases, public institutions of higher education are sometimes forced to pay higher prices or adjust delivery expectations due to the current restrictive waiver policy. The ability of the institution to procure in a more effective and efficient manner could be a savings to students and the state.

The USM supports Senate Bill 194 as a way to maintain flexibility in an increasingly competitive environment for the procurement of goods and services.



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