

HB 1499 – State Procurement – Construction and Services – Contract Modification

Position: Letter of Information

Committee: Budget and Taxation

Date: March 26, 2025

From: John R. Woolums, Esq.

The Department of General Services (DGS) appreciates the opportunity to provide information regarding House Bill 1499 - State Procurement - Construction and Services - Contract Modification. DGS is providing this Letter of Information to explain the operational and fiscal effects of this proposed legislation on the Department.

DGS appreciates the Delegate's bill to amend section 13-218 of the State Finance and Procurement (SFP) Article to modify the State procurement process regarding the modification of certain contracts based on changes adopted in law or collective bargaining agreements.

The Governor's Office has submitted the Procurement Reform Act of 2025 (PRA) (HB 500/SB 426) that seeks to reform State procurement to be more streamlined, efficient, and transparent. In an effort to align this bill, if enacted, with the PRA, DGS would like to suggest the following amendment:

Amendment: Strike the language on page 2, line 25 starting with “contingent” through “Board” on page 2, line 26. Substitute “required to obtain all applicable approvals under Division II of this Article.”

Rationale: This amendment would bring this provision in the bill in alignment with the proposed provisions in the PRA and Board of Public Works (BPW) approval would be covered by the amended language when applicable.

Again, DGS is providing this testimony for informational purposes, and the Department looks forward to being of further assistance as the Committee considers this bill.