

Wes Moore, Governor | Aruna Miller, Lt. Governor | Atif Chaudhry, Secretary

HB 508 - State Procurement Preferences - Blind Industries and Services of Maryland -Packaging and Repackaging

Position: Letter of Information **Committee:** Health and Government Operations **Date:** February 18, 2025 **From:** John R. Woolums, Esq.

The Department of General Services (DGS) supports Blind Industries and Services of Maryland (BISM) participation in the Preferred Provider program and the role of these state contracts to support the blind community by providing job training and career opportunities.

The DGS Office of State Procurement (OSP) manages preferred provider procurements for the state, and preferred providers include BISM, Maryland Correctional Enterprises, and Individuals with Disabilities-Owned Businesses under the Employment Works Program. Under this legislation, expanding the scope of products provided by BISM would impact other businesses, including the small, minority business enterprise (MBE), and veteran-owned small business enterprise (VSBE) community by removing opportunities for Small/MBE/VSBEs to sell or resell products to the State.

The changes proposed in House Bill 508 would require DGS to change current procurement practices governing the competitive procurement of packaged or repackaged products from available businesses, including Small/MBE/VSBEs. Under this bill, DGS instead would be required to submit any procurement request for products through BISM to determine what products are considered "packaged" or "repackaged" and whether it is a packaged or repackaged product that BISM provides. These packaged or repackaged products would no longer be able to be procured from other preferred providers. Under House Bill 508, DGS would have to increase the procurement timeline for purchasing these types of products and make adjustments to the current supply chain.