

# HOUSE BILL 596

P2

7lr0583

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By: **Delegate Sydnor**

Introduced and read first time: January 30, 2017

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Confidential Proprietary Information, Goods, or Services**  
3 **Provided to a Governmental Entity – Nondisclosure Agreement**

4 FOR the purpose of prohibiting a governmental entity from entering into a contract with a  
5 contractor that prohibits the governmental entity from disclosing to the public that  
6 the governmental entity uses confidential proprietary information, goods, or services  
7 provided to the governmental entity by the contractor; defining certain terms; and  
8 generally relating to nondisclosure agreements involving confidential proprietary  
9 information, goods, or services provided to a governmental entity by a contractor.

10 BY adding to

11 Article – State Finance and Procurement

12 Section 17–801 and 17–802 to be under the new subtitle “Subtitle 8. Nondisclosure  
13 Agreement for Goods or Services Provided by a Contractor”

14 Annotated Code of Maryland

15 (2015 Replacement Volume and 2016 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
17 That the Laws of Maryland read as follows:

18 **Article – State Finance and Procurement**

19 **SUBTITLE 8. NONDISCLOSURE AGREEMENT FOR GOODS OR SERVICES PROVIDED**  
20 **BY A CONTRACTOR.**

21 **17–801.**

22 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
23 **INDICATED.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (B) "GOODS OR SERVICES" INCLUDES INFORMATION TECHNOLOGY.

2 (C) "GOVERNMENTAL ENTITY" INCLUDES:

3 (1) THE STATE OR A POLITICAL SUBDIVISION OF THE STATE; AND

4 (2) AN AGENCY OF THE STATE OR A POLITICAL SUBDIVISION OF THE  
5 STATE.

6 (D) "NONDISCLOSURE AGREEMENT" MEANS AN ORAL OR WRITTEN  
7 AGREEMENT BETWEEN A GOVERNMENTAL ENTITY AND A CONTRACTOR THAT  
8 PROHIBITS THE GOVERNMENTAL ENTITY FROM DISCLOSING TO THE PUBLIC THE  
9 CONFIDENTIAL OR PROPRIETARY INFORMATION, GOODS, OR SERVICES THAT THE  
10 CONTRACTOR PROVIDES TO THE GOVERNMENTAL ENTITY.

11 17-802.

12 A GOVERNMENTAL ENTITY MAY NOT ENTER INTO A NONDISCLOSURE  
13 AGREEMENT THAT IS IN VIOLATION OF AN INDIVIDUAL'S RIGHT TO PRIVACY UNDER  
14 THE FOURTH AMENDMENT OF THE UNITED STATES CONSTITUTION.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 2017.