

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 701

(Delegates Krimm and K. Young)

Health and Government Operations

Judicial Proceedings

**Procurement - Lease of Property for Local Departments of Social Services -
Requests for Proposals**

This bill requires that a request for proposals for a lease of real property to be used by a local department of social services include, in the statement of factors that will be used in evaluating proposals, the geographic boundaries of the area where the facility will be located. The geographic boundaries must be determined by the Secretary of Human Resources or the Secretary's designee, after consulting with the director of the local department of social services.

Fiscal Summary

State Effect: None. The bill is procedural in nature and has no effect on governmental finances.

Local Effect: None. The bill is procedural in nature and has no effect on governmental finances.

Small Business Effect: None.

Analysis

Current Law: The Department of General Services (DGS) must give written notice of each proposed initial lease of property to the governing body of each political subdivision in which the property is located and each member of the General Assembly in whose legislative district the property is located. If the notice is for at least two proposed sites from which one will be selected, DGS must give written notice of the site that has been proposed for final selection before the final selection is made. A recipient of the notice has

30 days to provide written comments to DGS. DGS may not execute a lease until at least 31 days after it provided the written notices.

A request for proposals for a lease of real property must include (1) a work statement that will be used as the basis for evaluating proposals; (2) a statement of the factors, including price, which will be used in evaluating proposals; and (3) a statement of the relative importance of each factor.

Background: DGS's Office of Real Estate manages approximately 282 leases totaling 4.8 million net usable square feet; total rent paid for the leases is \$88.0 million.

In January 2017, the Board of Public Works approved a lease to relocate a Department of Social Services office out of downtown Frederick to north Frederick. Local officials opposed the move because the current office is located near a transit hub and about 20% of the office's economically disadvantaged clients walk to the current location. However, the only bid for a downtown location was too high to be approved under the State's procurement laws.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of General Services; *Frederick News-Post*; Department of Legislative Services

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