

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1580 (Delegate Fisher)
Health and Government Operations Education, Health, and Environmental Affairs

Calvert County - Competitive Bidding Process

This bill alters the method by which the Calvert County government must invite proposals for specified county contracts. Specifically, the bill requires the county government to publish notice of county contracts in the eMaryland Marketplace and in other forms of social media or websites where the county maintains a presence. The county government may use other methods to invite proposals for contracts subject to other provisions of law.

The bill also repeals the requirement that the county government invite proposals for all specified contracts by publishing a notice in at least two county newspapers for two consecutive weeks. In addition, the bill repeals the requirement that the notice must state that in not less than three weeks the county commissioners or the official authorized to contract for the county will meet in public session to receive bids for the described purchase or contract, state the time and place of the meeting, and reserve the right to reject any and all bids.

Fiscal Summary

State Effect: None.

Local Effect: Calvert County expenditures decrease by approximately \$17,000 annually beginning in FY 2019. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: Except as otherwise provided, contracts for the purchase by Calvert County of supplies or services involving \$15,000 or more must be by formal bidding procedures,

and the contract must be awarded at a regularly scheduled meeting of the county commissioners or by the official authorized to contract for the county to the lowest responsible bidder meeting specifications. A contract may not be subdivided to avoid the requirements of law.

The county commissioners or the official authorized to contract for the county must invite proposals for all specified contracts by publishing a notice in at least two county newspapers for two consecutive weeks. The notice must state that in not less than three weeks the county commissioners or the official authorized to contract for the county will meet in public session to receive bids for the described purchase or contract, state the time and place of the meeting, and reserve the right to reject any and all bids.

In determining the lowest responsible bidder, the county government is required to consider the following, in addition to considering price: (1) the ability, capacity, and skill of the bidder to perform the contract or provide the service required; (2) whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference; (3) the character, integrity, reputation, judgment, experience, and efficiency of the bidder; (4) the quality of performance of previous contracts or services; (5) the previous and current compliance by the bidder with laws and ordinances relating to the contract or service; (6) whether the bidder is in arrears to the county on any debt or contract, is in default on any surety to the county, or is delinquent as to any taxes or assessments; and (7) any other information that may have a bearing on the decision to award the contract.

If a contract is not awarded to the lowest bidder in price, the reasons for the decision must be stated in the minutes of the meeting at which the contract is awarded.

Background: The eMaryland Marketplace is the online procurement system where the State of Maryland conducts the majority of its procurements. It allows vendors access to State procurement information. Vendors have the ability to (1) complete the Small Business Reserve self-certification; (2) receive notice of bid opportunities; (3) search for contracting opportunities; (4) submit bids electronically; and (5) obtain bid results online.

Local Fiscal Effect: Calvert County spends approximately \$17,000 annually on posting procurement notices in local newspapers. Provisions of this bill eliminate these costs beginning in fiscal 2019.

Additional Information

Prior Introductions: HB 1478 of 2017 received a favorable report from the House Health and Government Operations Committee and passed the House. The bill received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

Cross File: None.

Information Source(s): Calvert County; Department of Information Technology; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2018
md/tso Third Reader - March 23, 2018

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