

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 190

(Delegate Lierman)

Health and Government Operations

Education, Health, and Environmental Affairs

Procurement – Specialized Printing Services Contracts – Board of Public Works
Approval

This bill designates “specialized printing services” as a service, rather than a commodity under State procurement law, and requires that any contract for specialized printing services be approved by the Board of Public Works (BPW). “Specialized printing services” are services valued at \$100,000 or more for the printing of a ballot, as defined in State election law, or a document that contains sensitive or personally identifiable information. BPW may not delegate its authority to approve a contract for specialized printing services.

Fiscal Summary

State Effect: The Department of General Services (DGS) can likely implement the bill with existing budgeted resources. However, to the extent that the number of affected contracts exceeds the expected volume, DGS may require additional procurement staff to manage the volume of contracts. No effect on revenues.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: State election law defines a “ballot” as an absentee ballot, a provisional ballot, a document ballot, or a voting machine ballot.

State procurement law assigns responsibility for controlling State procurement to BPW, but authorizes BPW to delegate its authority to State agencies. Through regulation, BPW has delegated authority to DGS for contracts valued at \$200,000 or less for:

- capital construction;
- construction-related services;
- information technology;
- services;
- architectural and engineering services;
- maintenance; and
- rental vehicles.

For these categories, any contract valued at *more than* \$200,000 must be approved by BPW.

BPW has also delegated authority to DGS for commodities contracts, but the delegated authority is not subject to any maximum threshold. Therefore, commodities contracts of any value do not require BPW approval, except for very limited exceptions.

Printing is included in the definition of “supplies” in State procurement law and is, thus, treated as a commodity rather than a service under State procurement. As a result, printing contracts are not subject to BPW oversight or approval.

State Expenditures: As noted, printing contracts are currently considered commodities and, thus, are delegated to DGS regardless of their value. Further, contracts valued at \$50,000 or less are considered small procurements under State procurement law and can be carried out by using agencies without DGS involvement. DGS does not know how many contracts are affected by the bill but notes that many printing contracts qualify as small procurements and, thus, are not affected by the bill due to the \$100,000 threshold. Therefore, it is likely that the number of affected contracts that must be managed by DGS can be handled with existing resources. However, to the extent that the number of affected contracts is greater than anticipated, DGS may require additional procurement staff, which is not reflected in this analysis.

The bill’s requirement may, in some instances, result in delays in contract execution and completion due to the additional level of approval.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 157 (Senator Ellis) - Education, Health, and Environmental Affairs.

Information Source(s): Department of General Services; Board of Public Works; Department of Legislative Services

Fiscal Note History: First Reader - February 2, 2021
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