

# HOUSE BILL 543

P2

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By: **Delegates Tomlinson, Buckel, Edelson, Hornberger, Miller, Nawrocki, and Rose**

Introduced and read first time: February 1, 2023

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Procurement – Small Procurement – Definition**

3 FOR the purpose of altering certain dollar thresholds of spending for the purposes of  
4 defining “small procurement” for State procurement contracts; and generally  
5 relating to small procurements.

6 BY repealing and reenacting, with amendments,  
7 Article – State Finance and Procurement  
8 Section 13–109  
9 Annotated Code of Maryland  
10 (2021 Replacement Volume and 2022 Supplement)

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

13 **Article – State Finance and Procurement**

14 13–109.

15 (a) In this section, “small procurement” means a procurement for which:

16 (1) a unit spends [~~\$50,000~~] **\$100,000** or less;

17 (2) a contractor provides services subject to § 11–202(3) of this article for  
18 expected annual revenues of [~~\$50,000~~] **\$100,000** or less;

19 (3) the Department of General Services or the Department of  
20 Transportation is seeking to award a procurement contract for a construction with a value  
21 that is [~~\$100,000~~] **\$200,000** or less;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (4) the Department of Natural Resources is seeking to award a  
2 procurement contract for capital projects or maintenance with a value that is ~~[\$100,000]~~  
3 **\$200,000** or less; or

4 (5) for purposes of administering Title 29, Subtitle 1 of the State Personnel  
5 and Pensions Article, the State Retirement Agency spends ~~[\$50,000]~~ **\$100,000** or less  
6 during a fiscal year for:

7 (i) expenses related to independent medical evaluations by a  
8 physician; and

9 (ii) any expenses related to testimony by the physician at  
10 administrative hearings on behalf of the Agency.

11 (b) A unit may make small procurements in accordance with the regulations of  
12 primary procurement units.

13 (c) A primary procurement unit may not create a small procurement by artificial  
14 division of a procurement.

15 (d) Any regulation of a primary procurement unit to govern small procurements:

16 (1) shall provide for a simplified administrative procedure;

17 (2) shall be consistent with the basic intent of this Division II; and

18 (3) may not be disadvantageous economically to the State.

19 (e) At least every 3 years, the Board shall:

20 (1) review the prevailing costs of labor and materials; and

21 (2) if warranted by changes in cost, recommend to the General Assembly  
22 appropriate adjustments in the ceiling for a small procurement.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 October 1, 2023.