

HOUSE BILL 578

P2, P1, R2

5lr1375

By: **Delegates Phillips, Mireku–North, Pasteur, Patterson, Ruff, Taylor, and Woods**

Introduced and read first time: January 23, 2025

Assigned to: Appropriations and Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Department of Transportation and Maryland Transportation**
3 **Authority Contracts – Board of Public Works Authority**

4 FOR the purpose of authorizing the Board of Public Works to control certain procurement
5 contracts by the Department of Transportation and Maryland Transportation
6 Authority valued at or above a certain amount; and generally relating to
7 procurement contracts and the Department of Transportation and the Maryland
8 Transportation Authority.

9 BY repealing and reenacting, with amendments,
10 Article – State Finance and Procurement
11 Section 4–415, 10–202, 12–101(a), 12–103, 12–107(a), 12–108, and 12–202(a)
12 Annotated Code of Maryland
13 (2021 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, without amendments,
15 Article – State Finance and Procurement
16 Section 12–101(b) and 12–107(b)(3)
17 Annotated Code of Maryland
18 (2021 Replacement Volume and 2024 Supplement)

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

21 **Article – State Finance and Procurement**

22 4–415.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) This section does not apply to any capital expenditures by the Department of
2 Transportation or the Maryland Transportation Authority in connection with State roads,
3 bridges, or highways **VALUED BELOW \$500,000**.

4 (b) Before execution, a contract for the acquisition of land shall be:

5 (1) reviewed by the Secretary of General Services; and

6 (2) except as provided in § 12–204 of this article, after that review,
7 approved by the Board of Public Works.

8 (c) (1) This subsection does not apply to any capital expenditure **VALUED**
9 **BELOW \$500,000** by:

10 (i) the Maryland Aviation Administration;

11 (ii) the Maryland Port Administration; or

12 (iii) the Maryland Transit Administration.

13 (2) At least 40 days before the Board of Public Works may act on a land
14 acquisition, the Division shall give written notice of a potential acquisition of land:

15 (i) to the governing body of the county in which the land is located;
16 and

17 (ii) if the land is located within a municipal corporation, to the
18 governing body of the municipal corporation.

19 (3) Within 30 days after receiving notice under this subsection, the
20 governing body may submit written comments to the Division.

21 (d) The Board of Public Works shall supervise the expenditure of any money that
22 the General Assembly appropriates for the acquisition of land.

23 10–202.

24 (a) This section does not apply to property to be acquired in connection with State
25 roads, bridges, or highways **VALUED BELOW \$500,000**.

26 (b) Subject to Title 12 of the Real Property Article, the Board may condemn
27 property for State use.

28 (c) The Department of General Services, with the approval of the Board, shall
29 adopt regulations in accordance with Title 10, Subtitle 1 of the State Government Article
30 that establish a uniform method of determining the value of any applicable life estate
31 discount for property condemned in accordance with this section.

1 12-101.

2 (a) This section does not apply to:

3 (1) capital expenditures by the Department of Transportation or the
4 Maryland Transportation Authority, in connection with State roads, bridges, or highways,
5 as provided in § 12-202 of this title, **VALUED BELOW \$500,000**; or

6 (2) procurements by the Department of General Services for the purpose of
7 modernizing cybersecurity infrastructure for the State valued below \$1,000,000.

8 (b) (1) The Board may control procurement by units.

9 (2) To implement the provisions of this Division II, the Board may:

10 (i) set policy;

11 (ii) adopt regulations, in accordance with Title 10, Subtitle 1 of the
12 State Government Article; and

13 (iii) establish internal operational procedures consistent with this
14 Division II.

15 (3) The Board shall ensure that the regulations of the primary
16 procurement units provide for procedures that are consistent with this Division II and Title
17 13, Subtitle 4 of the State Personnel and Pensions Article and, to the extent the
18 circumstances of a particular type of procurement or a particular unit do not require
19 otherwise, are substantially the same.

20 (4) The Board may delegate any of its authority that it determines to be
21 appropriate for delegation and may require prior Board approval for specified procurement
22 actions.

23 (5) Except as limited by the Maryland Constitution, the Board may
24 exercise any control authority conferred on a primary procurement unit by this Division II
25 and, to the extent that its action conflicts with the action of the primary procurement unit,
26 the action of the Board shall prevail.

27 12-103.

28 (a) This section does not apply to capital expenditures by the Department of
29 Transportation or the Maryland Transportation Authority, in connection with State roads,
30 bridges, or highways, as provided in § 12-202 of this title, **VALUED BELOW \$500,000**.

31 (b) Notwithstanding any delegation of authority under § 12-101 of this subtitle,
32 the Board retains full authority to engage in procurement of services and supplies for itself.

1 (c) By resolution, the Board may authorize a Board member or a unit to exercise
2 all or any part of the authority of the Board for a specific Board procurement or for a
3 particular class of Board procurements.

4 12-107.

5 (a) This section does not apply to capital expenditures by the Department of
6 Transportation or the Maryland Transportation Authority, in connection with State roads,
7 bridges, or highways, as provided in § 12-202 of this title, **VALUED BELOW \$500,000**.

8 (b) Subject to the authority of the Board, jurisdiction over procurement is as
9 follows:

10 (3) the Department of Transportation and the Maryland Transportation
11 Authority, without the approval of any of the other primary procurement units, may engage
12 in the procurement of:

13 (i) construction that is related to transportation, as provided in the
14 Transportation Article;

15 (ii) construction related services that are related to transportation,
16 as provided in the Transportation Article;

17 (iii) architectural or engineering services that are related to
18 transportation, under Title 13, Subtitle 3 of this article;

19 (iv) rolling stock and other property peculiar to the operation of a
20 transit system, as provided in § 7-403 of the Transportation Article;

21 (v) supplies for aeronautics related activities, including motor
22 vehicles and information processing supplies, but excluding:

23 1. supplies funded by the proceeds from State general
24 obligation bonds; and

25 2. insurance; and

26 (vi) services for aeronautics related activities, including information
27 processing services, but excluding banking and financial services under the authority of the
28 State Treasurer under item (1) of this subsection;

29 12-108.

30 (a) This section does not apply to capital expenditures by the Department of
31 Transportation or the Maryland Transportation Authority, in connection with State roads,
32 bridges, or highways, as provided in § 12-202 of this title, **VALUED BELOW \$500,000**.

1 (b) Subject to the approval of the Board and under the coordination of the
2 Governor, each of the primary procurement units shall:

3 (1) adopt regulations to carry out this Division II;

4 (2) send to the Board a copy of each proposed regulation under item (1) of
5 this subsection; and

6 (3) send to the Board a copy of each internal operating procedure that the
7 primary procurement unit adopts.

8 12-202.

9 (a) This section does not apply to capital expenditures:

10 (1) for public school construction under Title 5, Subtitle 3 of the Education
11 Article; or

12 (2) by the Department of Transportation or the Maryland Transportation
13 Authority, in connection with State roads, bridges, or highways **VALUED BELOW**
14 **\$500,000**.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
16 1, 2025.