

HOUSE BILL 1235

P2

6lr3444
CF SB 943

By: **Delegates Roberts, Boaf, Coley, Kaiser, Pasteur, Phillips, Ross, Smith,
Taylor, White Holland, Williams, Wilson, and Woods**

Introduced and read first time: February 11, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

2 **State Procurement – Competitive Sealed Bids and Proposals – In-State**
3 **Evaluation Preference**

4 FOR the purpose of requiring competitive sealed bids and proposals to be awarded based
5 on certain standardized evaluation criteria; requiring the criteria to be included in
6 an invitation for bids or a request for proposals; requiring a responsive bid or
7 proposal to include a certain State and local economic impact statement; and
8 generally relating to State procurement.

9 BY repealing and reenacting, with amendments,
10 Article – State Finance and Procurement
11 Section 13–103 and 13–104
12 Annotated Code of Maryland
13 (2021 Replacement Volume and 2025 Supplement)

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

16 **Article – State Finance and Procurement**

17 13–103.

18 (a) (1) Whenever procurement is based on competitive sealed bids, a
19 procurement officer shall seek bids by issuing an invitation for bids.

20 (2) Subject to subsection (b) of this section, an invitation for bids shall
21 include:

22 (i) the specifications of the procurement contract, including the
23 expected degree of minority business enterprise participation, as provided in § 14–303(b) of

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 this article;

2 (ii) a summary of the factors used to determine the expected degree
3 of minority business enterprise participation for the procurement contract, including
4 subcontracting opportunities identified for the project, any applicable North American
5 Industry Classification System codes linked to the subcontracting opportunities, and the
6 number of certified minority business enterprises in those industries;

7 (iii) [whether the procurement contract will be awarded based on the
8 lowest bid price, the lowest evaluated bid price or, if the procurement is subject to §
9 11-202(3) of this article,] **THE STANDARDIZED EVALUATION CRITERIA UNDER**
10 **SUBSECTION (G) OF THIS SECTION FOR DETERMINING** the bid most favorable to the
11 State; **AND**

12 (iv) [if the procurement contract will be based on evaluated bid price,
13 the objective measurable criteria by which the lowest evaluated bid price will be
14 determined; and

15 (v)] if the head of the unit or the head of the unit's designee has so
16 designated, the small business preference.

17 (b) (1) Whenever a procurement officer determines that an initial preparation
18 of specifications for price bids is impracticable, the invitation for bids may:

19 (i) include a request for unpriced technical offers or samples; and

20 (ii) direct bidders to submit price bids:

21 1. with the unpriced technical offers or samples; or

22 2. after the unit evaluates the technical offers or samples and
23 finds that they are acceptable under the criteria set forth in the invitation for bids.

24 (2) A unit shall consider the prices submitted by bidders whose technical
25 offers or samples have been found acceptable.

26 (3) Price bids may not be opened until after the unit has completed
27 evaluation of the technical offers or samples.

28 (4) (i) A price bid may not be opened at any time if the bid is submitted
29 by a bidder whose technical offer or sample has been evaluated as unacceptable to the unit.

30 (ii) A procurement officer shall return an unopened price bid
31 submitted by a bidder whose technical offer or sample has been evaluated as unacceptable.

1 (c) (1) A unit shall give public notice of an invitation for bids before bid
2 opening in accordance with this subsection.

3 (2) A unit shall give reasonable notice that shall be at least 10 days before
4 bid opening.

5 (3) The unit shall publish notice in eMaryland Marketplace at least 20 days
6 before bid opening if:

7 (i) the procurement officer reasonably expects bid prices to exceed
8 the small procurement amount specified in § 13–109 of this subtitle or a lower amount set
9 by the Board by regulation in accordance with Title 10, Subtitle 1 of the State Government
10 Article; and

11 (ii) at least part of the procurement contract is to be performed in
12 this State or the District of Columbia.

13 (4) In addition to any notice required under this subsection, a unit may
14 publish notice of an invitation for bids:

15 (i) on a bid board or eMaryland Marketplace; or

16 (ii) in a newspaper, periodical, or trade journal.

17 (d) (1) A procurement officer shall:

18 (i) open bids in public at the time and place designated in the
19 invitation for bids; and

20 (ii) announce, record, and post:

21 1. the name of each bidder; and

22 2. the amount of each bid.

23 (2) Except as provided in paragraph (3) of this subsection, a bid is
24 irrevocable, after bid opening, for the period specified in the invitation for bids.

25 (3) A procurement officer may allow a bidder to correct or withdraw a bid
26 if correction or withdrawal is:

27 (i) allowed under regulations adopted under this Division II; and

28 (ii) approved in writing by the Office of the Attorney General.

1 (e) (1) After obtaining any approval required by law, the procurement officer
2 shall award the procurement contract to the responsible bidder who submits the responsive
3 bid that[:

4 (i) is the lowest bid price;

5 (ii) if the invitation for bids so provides, is the lowest evaluated bid
6 price; or

7 (iii) for procurement subject to § 11–202(3) of this article,] is the bid
8 most favorable to the State **UNDER THE STANDARDIZED EVALUATION CRITERIA**
9 **UNDER SUBSECTION (G) OF THIS SECTION.**

10 (2) If, after competitive sealed bids have been opened, a procurement
11 officer determines that only 1 responsible bidder has submitted a responsive bid, the unit
12 may negotiate the procurement contract with that 1 bidder under the procedure for sole
13 source procurement.

14 (3) (i) After competitive sealed bids have been opened, a procurement
15 officer may award a procurement contract on the basis of revised bids if:

16 1. all bids are rejected under § 13–206(b) of this title;

17 2. all bid prices exceed the funds available for the
18 procurement; or

19 3. with the approval of the head of the unit or a designee, the
20 procurement officer determines that all bids are unreasonable as to at least 1 requirement
21 and the delay that would result from issuing a new invitation for bids with revised
22 specifications or quantities would be fiscally disadvantageous or otherwise not in the best
23 interests of the State.

24 (ii) If there is more than 1 bidder, discussions about revised
25 specifications or quantities shall be conducted with all responsible bidders who submitted
26 responsive bids. The bidders shall be treated fairly and equally with respect to any
27 discussions.

28 (iii) As promptly as possible, the procurement officer shall:

29 1. issue an invitation for revised bids, which shall state
30 whether the award will be made without competitive negotiations; and

31 2. require a prompt response to that invitation.

32 (iv) An invitation for revised bids is not subject to the notice
33 requirements in subsection (c) of this section.

1 (v) After revised bids have been submitted, negotiations with
2 bidders may not be conducted unless the procurement officer determines that there is a
3 compelling reason to negotiate.

4 (vi) After revised bids have been opened and any approval required
5 by law has been obtained, the procurement officer shall award the procurement contract to
6 the responsible bidder who submits a responsive bid [that:

7 1. is the lowest bid price;

8 2. if the invitation for revised bids so provides, is the lowest
9 evaluated bid price; or

10 3. for procurement subject to § 11–202(3) of this article,]
11 **THAT is the bid most favorable to the State UNDER THE STANDARDIZED EVALUATION**
12 **CRITERIA UNDER SUBSECTION (G) OF THIS SECTION.**

13 (4) A responsive bid or proposal shall include:

14 **(I) the criteria specified in subsection (a) of this section; AND**

15 **(II) A STATEMENT OF THE STATE AND LOCAL ECONOMIC**
16 **IMPACT OF THE BID, INCLUDING:**

17 **1. THE PERCENTAGE OF STATE-BASED EMPLOYEES**
18 **WHO WILL PERFORM THE CONTRACT;**

19 **2. THE ANTICIPATED STATE-BASED SUBCONTRACTORS**
20 **THAT WILL BE UTILIZED IN THE PERFORMANCE OF THE CONTRACT;**

21 **3. THE ESTIMATED STATE AND LOCAL TAXES THAT WILL**
22 **BE GENERATED FROM THE PERFORMANCE OF THE CONTRACT;**

23 **4. THE NUMBER OF JOBS THAT WILL BE CREATED OR**
24 **RETAINED IN THE STATE FROM THE PERFORMANCE OF THE CONTRACT; AND**

25 **5. ANY LOCATION WHERE THE CONTRACT WILL BE**
26 **PERFORMED.**

27 (f) Not more than 30 days after the execution and approval of a procurement
28 contract in excess of the small procurement amount specified in § 13–109 of this subtitle
29 awarded under this section, or a lower amount set by the Board by regulation in accordance
30 with Title 10, Subtitle 1 of the State Government Article, a unit shall publish notice of the
31 award in eMaryland Marketplace.

1 **(G) (1) FOR ANY PROCUREMENT CONTRACT AWARDED IN ACCORDANCE**
2 **WITH THIS SECTION, A UNIT SHALL EVALUATE PROPOSALS USING THE**
3 **STANDARDIZED CRITERIA UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

4 **(2) (I) UNLESS OTHERWISE REQUIRED BY FEDERAL LAW, A BID**
5 **SHALL BE EVALUATED ON A SCALE OF 100 POINTS.**

6 **(II) A MAXIMUM OF 40 POINTS MAY BE AWARDED FOR THE**
7 **TECHNICAL MERIT OF THE BID, INCLUDING:**

8 **1. THE QUALITY OF THE PROPOSED METHODS OF**
9 **PERFORMING THE CONTRACT;**

10 **2. THE TECHNICAL CAPABILITY OF THE BIDDER;**

11 **3. THE STAFFING AND QUALIFICATIONS OF THE BIDDER;**

12 **AND**

13 **4. THE BIDDER'S COMPLIANCE WITH THE SCOPE AND**
14 **SPECIFICATIONS INCLUDED IN THE INVITATION FOR BIDS.**

15 **(III) A MAXIMUM OF 30 POINTS MAY BE AWARDED FOR THE**
16 **STATE AND LOCAL ECONOMIC IMPACT OF THE BID, INCLUDING:**

17 **1. THE BIDDER HAVING ITS PRINCIPAL PLACE OF**
18 **BUSINESS IN THE STATE;**

19 **2. THE PERCENTAGE OF THE BIDDER'S WORKFORCE**
20 **EMPLOYED IN THE STATE;**

21 **3. THE USE OF STATE-BASED SUBCONTRACTORS;**

22 **4. THE EXPECTED STATE AND LOCAL TAXES THAT WILL**
23 **BE GENERATED FROM PERFORMANCE OF THE CONTRACT; AND**

24 **5. THE AMOUNT OF THE BIDDER'S CAPITAL INVESTMENT**
25 **AND REINVESTMENT IN THE STATE.**

26 **(IV) A MAXIMUM OF 20 POINTS MAY BE AWARDED FOR THE**
27 **TOTAL COST TO THE UNIT UNDER THE BID.**

28 **(V) A MAXIMUM OF 10 POINTS MAY BE AWARDED FOR:**

1 **1. PRIOR PERFORMANCE OF CONTRACTS WITH THE**
2 **STATE OR LOCAL GOVERNMENTS BY THE BIDDER; AND**

3 **2. THE TIMELINESS, QUALITY OF WORK PERFORMED,**
4 **AND COMPLIANCE HISTORY OF THE BIDDER ON ANY PRIOR CONTRACTS WITH THE**
5 **STATE OR LOCAL GOVERNMENTS.**

6 13–104.

7 (a) Competitive sealed proposals is the preferred method for:

8 (1) human, social, cultural, or educational services; and

9 (2) security services with an expected value that is greater than
10 \$1,000,000.

11 (b) (1) Whenever procurement is based on competitive sealed proposals, a
12 procurement officer shall seek proposals by issuing a request for proposals.

13 (2) A request for proposals shall include a statement of:

14 (i) the scope of the procurement contract, including the expected
15 degree of minority business enterprise participation, as provided in § 14–303(b) of this
16 article;

17 (ii) a summary of the factors used to determine the expected degree
18 of minority business enterprise participation for the procurement contract, including
19 subcontracting opportunities identified for the project, any applicable North American
20 Industry Classification System codes linked to the subcontracting opportunities, and the
21 number of certified minority business enterprises in those industries; **AND**

22 (iii) the factors[, including price,] **UNDER SUBSECTION (H) OF THIS**
23 **SECTION** that will be used in evaluating proposals[; and

24 (iv) the relative importance of each factor].

25 (c) A unit shall publish a request for proposals in the same manner as required
26 for an invitation for bids.

27 (d) (1) After receipt of proposals but before the procurement officer awards the
28 procurement contract, a unit may conduct discussions with an offeror to:

29 (i) obtain the best price for the State; and

30 (ii) ensure full understanding of:

1 (ii) a best and final offer is irrevocable for the period specified in the
2 request for best and final offers.

3 (2) A procurement officer may allow an offeror to correct or withdraw a
4 proposal or best and final offer if correction or withdrawal is:

5 (i) allowed under regulations adopted under this Division II; and

6 (ii) approved in writing by the Office of the Attorney General.

7 (f) (1) After obtaining any approval required by law, the procurement officer
8 shall award the procurement contract to the responsible offeror who submits the proposal
9 or best and final offer determined to be the most advantageous to the State considering the
10 evaluation factors [set forth in the request for proposals] **UNDER SUBSECTION (H) OF**
11 **THIS SECTION.**

12 (2) **A PROPOSAL SHALL INCLUDE A STATEMENT OF THE STATE AND**
13 **LOCAL ECONOMIC IMPACT OF THE BID, INCLUDING:**

14 (I) **THE PERCENTAGE OF STATE-BASED EMPLOYEES WHO WILL**
15 **PERFORM THE CONTRACT;**

16 (II) **THE ANTICIPATED STATE-BASED SUBCONTRACTORS THAT**
17 **WILL BE UTILIZED IN THE PERFORMANCE OF THE CONTRACT;**

18 (III) **THE ESTIMATED STATE AND LOCAL TAXES THAT WILL BE**
19 **GENERATED FROM THE PERFORMANCE OF THE CONTRACT;**

20 (IV) **THE NUMBER OF JOBS THAT WILL BE CREATED OR**
21 **RETAINED IN THE STATE FROM THE PERFORMANCE OF THE CONTRACT; AND**

22 (V) **ANY LOCATION WHERE THE CONTRACT WILL BE**
23 **PERFORMED.**

24 (g) A unit shall publish notice of a contract in excess of the small procurement
25 amount specified in § 13-109 of this subtitle awarded under this section, or a lower amount
26 set by the Board by regulation in accordance with Title 10, Subtitle 1 of the State
27 Government Article in eMaryland Marketplace.

28 (H) (1) **FOR ANY PROCUREMENT CONTRACT AWARDED IN ACCORDANCE**
29 **WITH THIS SECTION, A UNIT SHALL EVALUATE PROPOSALS USING THE**
30 **STANDARDIZED CRITERIA UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

1 **(2) (I) UNLESS OTHERWISE REQUIRED BY FEDERAL LAW, A**
2 **PROPOSAL SHALL BE EVALUATED ON A SCALE OF 100 POINTS.**

3 **(II) A MAXIMUM OF 40 POINTS MAY BE AWARDED FOR THE**
4 **TECHNICAL MERIT OF THE PROPOSAL, INCLUDING:**

5 **1. THE QUALITY OF THE PROPOSED METHODS OF**
6 **PERFORMING THE CONTRACT;**

7 **2. THE TECHNICAL CAPABILITY OF THE OFFEROR;**

8 **3. THE STAFFING AND QUALIFICATIONS OF THE**
9 **OFFEROR; AND**

10 **4. THE PROPOSAL'S COMPLIANCE WITH THE SCOPE AND**
11 **SPECIFICATIONS INCLUDED IN THE REQUEST FOR PROPOSALS.**

12 **(III) A MAXIMUM OF 30 POINTS MAY BE AWARDED FOR THE**
13 **STATE AND LOCAL ECONOMIC IMPACT OF THE PROPOSAL, INCLUDING:**

14 **1. THE OFFEROR HAVING ITS PRINCIPAL PLACE OF**
15 **BUSINESS IN THE STATE;**

16 **2. THE PERCENTAGE OF THE OFFEROR'S WORKFORCE**
17 **EMPLOYED IN THE STATE;**

18 **3. THE USE OF STATE-BASED SUBCONTRACTORS;**

19 **4. THE EXPECTED STATE AND LOCAL TAXES THAT WILL**
20 **BE GENERATED FROM PERFORMANCE OF THE CONTRACT; AND**

21 **5. THE AMOUNT OF THE OFFEROR'S CAPITAL**
22 **INVESTMENT AND REINVESTMENT IN THE STATE.**

23 **(IV) A MAXIMUM OF 20 POINTS MAY BE AWARDED FOR THE**
24 **TOTAL COST TO THE UNIT UNDER THE PROPOSAL.**

25 **(V) A MAXIMUM OF 10 POINTS MAY BE AWARDED FOR:**

26 **1. PRIOR PERFORMANCE OF CONTRACTS WITH THE**
27 **STATE OR LOCAL GOVERNMENTS BY THE OFFEROR; AND**

1 **2. THE TIMELINESS, QUALITY OF WORK PERFORMED,**
2 **AND COMPLIANCE HISTORY OF THE OFFEROR ON ANY PRIOR CONTRACTS WITH THE**
3 **STATE OR LOCAL GOVERNMENTS.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2026.