



# The State of Maryland

## Executive Department

EXECUTIVE ORDER  
01.01.2016.05

### Commission to Modernize State Procurement

- WHEREAS, The State of Maryland spends \$4 billion annually on goods and services;
- WHEREAS, The State procurement system has become an outdated patchwork of legislative and regulatory fixes;
- WHEREAS, State procurement policies and procedures should be open, transparent, and equitable for all participants;
- WHEREAS; Clear, uniform standards and training for State procurement officials will ensure the quality and integrity of the State's procurement system;
- WHEREAS; Providing more predictability and reducing transaction costs to businesses will allow the State to obtain the best value for goods and services at reasonable prices; and
- WHEREAS; Modern methods of procurement will safeguard equal treatment of bidders and increase competition.

NOW THEREFORE, I, LAWRENCE J. HOGAN JR., GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, HEREBY PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

- A. The Establishment of the Commission to Modernize State Procurement (Commission).
- B. Membership.
- (1) The Commission shall consist of the following:
- (a) The Lieutenant Governor;

(b) The State Comptroller, or the Comptroller's Designee;

(c) The State Treasurer, or the Treasurer's Designee;

(d) The Secretary of the Department of Budget and Management, or the Secretary's Designee;

(e) The Secretary of the Department of Transportation, or the Secretary's Designee;

(f) The Secretary of the Department of General Services, or the Secretary's Designee;

(g) The Secretary of the Department of Information Technology, or the Secretary's Designee;

(h) The Special Secretary of the Governor's Office of Minority Affairs, or the Special Secretary's Designee;

(i) Two members of the Maryland Senate, one appointed by the President of the Senate and one appointed by the Minority Leader of the Senate;

(j) Two members of the Maryland House of Delegates, one appointed by the Speaker of the House and one appointed by the Minority Leader of the House of Delegates;

(k) The Board of Public Works Executive Secretary, as a nonvoting member;

(l) A representative chosen by Maryland Nonprofits; and

(m) Five public members to be appointed by the Governor with expertise in Maryland procurement law and experience in the information technology, construction, commodities, human services, healthcare, professional services, or engineering or architectural services industries. The public members shall serve at the pleasure of the Governor.

(2) The Board of Public Works shall provide staff support to the Commission.

(3) The Assistant Attorneys General at the Department of Budget and Management, Department of Transportation, and Department of General Services may serve as legal support to the Commission.

(4) Other State agencies and their staffs may be asked to participate at the invitation of the Lieutenant Governor.

#### C. Duties.

(1) The Commission shall undertake a comprehensive review of Maryland's procurement code and regulations and submit to the Governor a detailed strategy with specific recommendations that may include the following:

(a) Standardization of best practices and interpretation of the procurement provisions in the Code of Maryland Regulations across all agencies to improve consistency and provide predictability to the business community;

(b) Reduction of transaction costs for State agencies by utilizing new technologies to increase efficiencies and make the procurement process more accessible to businesses;

(c) Development of a statewide procurement manual, divided by industry sector, that summarizes the procedures and processes to be used by State agencies for awarding contracts;

(d) Development of a statewide procurement training curriculum centered around a statewide procurement manual that prepares agency procurement staff to perform the procurement function at all levels of purchasing;

(e) Addressing impediments to attracting and retaining quality procurement staff;

(f) Development of a self-directed training module for any interested business to quickly learn how to effectively bid on state contracts;

(g) Simplification of procurement reporting requirements to allow agency procurement staff to more effectively manage their time;

(h) Expansion of the Small Business Reserve Program to all agencies;

(i) Expansion of the small procurement limit and the single purchase limit for corporate purchasing cards to allow for the rapid procurement of goods and services;

(j) Simplification of the current Request For Proposal (RFP) template to make it be easier for businesses to understand and respond;

(k) Reduction in the number of documents businesses are required to submit with proposals prior to a contract award;

(l) Review the mandatory terms and conditions of procurement contracts;

(m) Simplification of the Minority Business Enterprise certification process;

(n) Determination of how best to address clearly evident mistakes on procurement submissions;

(o) Establishment of standards allowing the State to obtain the overall best value instead of only the lowest price;

(p) Development of a mechanism that would deter bidders from submitting frivolous protests; and

(q) Other relevant procurement issues identified by the Commission.

(2) The Commission shall submit its recommendations for improving and modernizing Maryland's procurement process in a final written report to the Governor, no later than December 1, 2016.

#### D. Procedures.

(1) The Lieutenant Governor shall chair the Commission. The Chair shall:

(a) Oversee the implementation of this Executive Order and the work of the Commission;

(b) Determine the Commission's agenda; and

(c) Identify additional support as needed.

(2) The Commission shall meet as frequently as necessary to meet the deadlines established herein.

(3) A majority of the Commission members shall constitute a quorum for the transaction of any business.

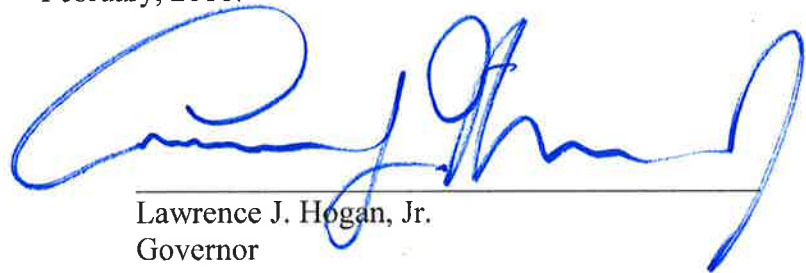
(4) The Commission may adopt other procedures to ensure the orderly transaction of business.

(5) All State agencies, departments, boards and commissions within the Executive Branch are authorized and directed to coordinate with the Commission in implementing the provisions of this Executive Order.

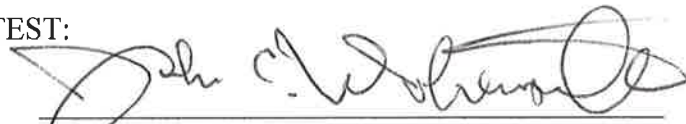
(6) On December 31, 2016, with no further action required by the Governor, this Executive Order shall be abrogated and of no further force and effect.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 10<sup>th</sup> Day of February, 2016.



  
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Lawrence J. Hogan, Jr.  
Governor

ATTEST:

  
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John C. Wobensmith  
Secretary of State