





September 9, 2025

FISCAL AND POLICY NOTE

TO: Colette R. Gresham, Esq.
Interim Council Administrator

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THRU: Lavinia Baxter 
Senior Legislative Budget and Policy Analyst

FROM: Roger G. Banegas 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-037-2025 Procurement Practice Revisions

CB-037-2025 (proposed by: The Council Chair at the request of the County Executive)

Assigned to the Government Operations and Fiscal Policy (GOFP) Committee

AN ACT CONCERNING PROCUREMENT PRACTICE REVISIONS for the purpose of amending provisions of Subtitle 10A regarding administrative procedures, award of contracts, prohibited types of contracts, economic development, and generally relating to procurements subject to Subtitle 10A.

Fiscal Summary

Direct Impact

Expenditures: No expenditure impact likely.

Revenue: No direct revenue impact likely.

Indirect Impact

Likely mixed.

Legislative Summary:

CB-037-2025¹, proposed and sponsored by the County Executive, was presented on April 29, 2025, and referred to the Government Operations and Fiscal Policy (GOFP) Committee. The bill amends provisions of Subtitle 10A to enhance current operations and implement best practices in the procurement field. The additional revisions are aimed at shaping the direction of the County's newest agency, the Office of Procurement.

Current Law/Background:

The County's Procurement regulations are detailed within Subtitle 10A of the Prince George's County Code. These regulations have been updated and revised over the past few years through CB-013-2020², CB-012-2024³, and CB-024-2024⁴ by updating the County's procurement process and expanding opportunities for County-based businesses to provide goods and services to Prince George's County.

In Section 10A-108⁵ of the Prince George's County Code, current County law lists several supplies and services that are exempt from Divisions 2, 6, and 7 of Subtitle 10A. These Divisions govern the award of contracts, special provisions, and economic development. Most notably, the current law exempts the County from having to go through the typical competitive solicitation process to acquire any of these supplies or services.

Discussion/Policy Analysis

CB-037-2025⁶ represents a comprehensive set of amendments to the County's procurement law. Many of the changes are more technical than substantive, but there are some significant changes in the Bill. According to the Bill Summary, CB-037-2025 would repeal and reenact the provisions of procurement practices under Subtitle 10A to "enhance current operations and implement best practices in the procurement field."

Notable substantive changes include (page and line references are to Draft 1 of the Bill):

¹ [CB-037-2025](#)

² [CB-013-2020](#)

³ [CB-012-2024](#)

⁴ [CB-024-2024](#)

⁵ [Prince George's County Code Section 10A-108](#)

⁶ [CB-037-2025](#)

- Requiring the Purchasing Agent to evaluate the need for amendment to the procurement regulations on an annual basis, rather than at least once every five years as currently provided in Section 10A-105(d) (see page 5, line 22).
- Reducing the certified County-based small business, County-based minority business enterprise, and/or locally owned and Operated Business participation requirement in Section 10A-114, *Contract Negotiation* from fifty percent (50%) to thirty-five percent (35%) (see page 6, line 26 to page 7, line 5).
- Removing the requirement that, prior to exercising an option year on a contract under Section 10A-131, the Purchasing Agent and using agency review the contract to determine whether the option should be exercised or if the contract should be re-bid (see page 7, lines 14-21).
- Providing details of the objectives of a multi-year contract, when such a contract is appropriate, and requiring the procurement officer to make certain determinations in order to use a multi-year contract under Section 10A-131, *Multiyear contracts* (see page 7, line 26 to page 8, line 24).
- Reducing the certified County-based small business, County-based minority business enterprise, and/or locally owned and Operated Business participation requirement on large (>\$1M) procurements under Section 10A-161, *County-based business participation requirements*, from fifty percent (50%) to thirty-five percent (35%) (see page 9, line 11 to page 10, line 18); and
- Removing the automatic County-based small business certification for otherwise certified MBEs in Section 10A-163(g)(2) (see page 13, line 27 through page 14, line 14);
- Providing that all business certifications shall be valid for a two-year period (see page 14, line 23).

The Bill's technical changes include the following:

- Section 10A-101, *Definitions*:
 - References to “Central Services” are replaced with “Procurement” throughout.
 - Additional language is added to subsection (17) relating to emergencies stating that “This includes an occurrence or condition that creates an immediate and serious need for services that cannot be met through normal procurement methods and are required to avoid or mitigate serious damage to public health, safety, or welfare”.
 - Delete definition of “procure” and “services.”
- Section 10A-103, *Centralization of contractual authority*:
 - Delete “and the management, control, warehousing, sale, and disposal of supplies”
 - Delete “management, control, and disposal of any and all supplies”.
 - Delete “alter” and replace it by adding “amend, modify”.
- Section 10A-104, *Authority of the Purchasing Agent*: Amend by removing the current subsection (2) and adding language to the new subsection (7) that states “...to include procurement staff...”. Additionally, a new subsection (11) is created stating “The review of and decision of Emergency Procurements”.
- Section 10A-105, *Regulations and Procedures*: Amend to remove §10A-10(5)(4) Minority Business Opportunities program. As a result of this removal, all §10A-10(5)(4) subsections

would fall under §10A-105(3). Subsection (d) removes the language stating, “not less than once every five (5) years” and adds “on an annual basis”.

- Section 10A-106, *Determinations, Award Notice and Debriefings*: Amend to add language to subsection (b). The new language states “...once authorized by the Purchasing Agent,”.
- Section 10A-110.01, *Grandfather Clause*: This section, which exempted contracts prior to November 15, 2016, from County participation requirements, is deleted in its entirety.
- Section 10A-113, *Competitive Sealed proposal*: would make technical amendments and delete language stating “or the proposal analysis group...”
- Division 6, Minority Business Opportunity Program: Name of Division changed to “Supplier Diversity Program.”
- Section 10A-136, *Assistance to minority business enterprises; certification and decertification*: “Supplier diversity” is substituted for “Assistance to minority business enterprises” in name of section.
- Section 10A-139, *Penalties* adds language including “County-based small business, County-located business, or Locally owned and Operated Business...”.
- Subsection 10A-162(c) is moved to be new subsection (j) to Section 10A-161, *County-based business participation requirements*, to require each County agency or the Purchasing Agent to set aside a procurement with a total value of equal to or less than \$1 million for award only to County-based small businesses, subject to certain conditions (see page 10, line 20 to page 11, line 17, and page 11, line 28 to page 12, line 23).

Fiscal Impact

- *Direct Impact*

CB-037-2025 should not have a direct fiscal impact on the County.

- *Indirect Impact*

CB-037-2025 is likely to have both favorable and adverse indirect fiscal impacts for the County. A favorable indirect impact due to the changes, potentially resulting in administrative efficiency and cost savings in procurement. The adverse indirect fiscal impact may be that there could be reduced support for County-based small and minority businesses, which could lead to a potential loss of tax revenue from the businesses and their employees.

- *Appropriated in the Current Fiscal Year Budget*

N/A

Effective Date of Proposed Legislation:

The Act shall take effect forty-five (45) calendar days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please reach out to me via email.