

HB 4127 A STAFF MEASURE SUMMARY

Senate Committee On General Government and Accountability

Action Date: 02/27/18

Action: Without recommendation as to passage and request referral to Rules.

Vote: 5-0-0-0

Yeas: 5 - Hass, Linthicum, Manning Jr, Riley, Thatcher

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: C. Ross, LPRO Analyst

WHAT THE MEASURE DOES:

Modifies Qualifications-Based Selection (QBS) procurement process to allow public contracting agencies to consider pricing policies, proposals, and other pricing information of three qualified applicants prior to selecting one, when soliciting architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services. Takes effect 91st day after *sine die*.

ISSUES DISCUSSED:

- Comparison with current procurement process
- Time and resources consumed by current process
- Confusion about the measure's effect
- Ideals of Qualifications-Based Selection process
- The importance of price as a factor in the selection process

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

State and local governments use Qualifications-Based Selection (QBS) to procure architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services. QBS requires contracting agencies to make selections on the basis of each consultant's qualifications for the type of professional service required. QBS allows a contracting agency to ask for or use pricing policies and proposals, or other pricing information, to determine consultant compensation only after a candidate is selected. If negotiations over compensation do not reach a level that is reasonable and fair to the contracting agency, the contracting agency can then select the second most qualified consultant, and request pricing information; and so on, one at a time, in descending order. Direct appointment is allowed if the estimated cost of services for the project does not exceed \$100,000.

House Bill 4127A allows a public contracting agency to select up to three of the most qualified firms that have responded to a request for qualifications and then request pricing policies and other pricing information from those firms prior to making a selection.