

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article 21 - Procurement

3-504.

(a) Each bidder or offeror FOR A CONSTRUCTION CONTRACT shall give a bid bond if the [contract price is estimated by the procurement officer to exceed] BID OR OFFER EXCEEDS \$25,000. BID BONDS MAY BE REQUIRED FOR ANY OTHER PROCUREMENT OVER \$25,000, AS DETERMINED BY THE PROCUREMENT OFFICER. The bid bond shall be provided by a surety company authorized to do business in this State, or the equivalent in cash, or in a form satisfactory to the procurement officer.

(b) The bid bond shall be in an amount equal to at least 5 percent of the amount of the bid or price proposal EXCEPT THAT, FOR ~~CONTRACTS INVOLVING INDEFINITE QUANTITIES~~ BIDS STATING A RATE BUT NOT A TOTAL COST, THE BID BOND SHALL BE IN AN AMOUNT AS DETERMINED BY THE PROCUREMENT OFFICER.

(c) If the invitation for bids or request for proposals require that a bid bond be provided, a bidder or offeror that does not comply shall be rejected.

(d) Once opened, bids or price proposals are irrevocable for the period specified in the invitation for bids or the request for proposal except as provided in § 3-202(h) of this article. However, if a bidder or offeror is permitted to withdraw his bid or proposal before award because of a mistake in the bid or proposal, no action shall be taken against his bid bond.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is hereby declared to be an emergency measure and necessary for the immediate preservation of the public health and safety and having been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved March 11, 1982.

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CHAPTER 4

(Senate Bill 432)

AN ACT concerning