

(C) "PROCUREMENT AGENCY" HAS THE SAME MEANING SPECIFIED IN § 11-101 OF THE STATE FINANCE AND PROCUREMENT ARTICLE OF THE CODE.

[(c)] (D) "Service contract" means a contract for the procurement of services, AS DEFINED IN TITLE 11 OF THE STATE FINANCE AND PROCUREMENT ARTICLE OF THE CODE, provided within State operated facilities estimated by the procurement officer to exceed \$100,000 in annual cost.

[18-802.] 58.

It is the policy of this State that State employees shall perform all State functions within State operated facilities in preference to contracting with the private sector for the performance of those functions. Service contracts may be entered into only as provided in this subtitle.

[18-803.] 59.

Before granting approval for a service contract, the Board OF PUBLIC WORKS shall receive certification from each of the departments that:

(1) The service contract is in an exempted class as provided in § [18-804] 60 of this subtitle; or

(2) The conditions of §§ [18-805] 61 through [18-807] 63 of this subtitle have been, or are being, fulfilled.

[18-804.] 60.

Except where the General Assembly has mandated or authorized the performance of these services by an independent contractor, a service contract may be certified by the departments as exempt from the preference stated in § [18-802] 58 of this subtitle if it falls within one or more of the following classes:

(1) The services to be contracted for are not available for performance by State employees;

(2) The services are incidental to a contract for the purchase or lease of real or personal property. A contract in this classification may include a "service agreement" attendant to the purchase or rental of office equipment or computers;

(3) There is a clear need to obtain independent and unbiased findings or opinions. A contract in this classification may include obtaining the services of an expert witness in litigation;

(4) A conflict of interest would result from performance of the services by a State employee; or