

**CHAPTER 416**

**(House Bill 333)**

AN ACT concerning

**Procurement Contracts – Fraud**

FOR the purpose of establishing a crime of fraud in connection with a procurement contract; specifying the acts that constitute the crime; establishing a crime for aiding or conspiring with a person to commit the crime under this Act; and establishing certain penalties for a violation of this Act.

BY adding to

Article – State Finance and Procurement  
Section 11-205.1  
Annotated Code of Maryland  
(1995 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – State Finance and Procurement**

11-205.1.

(A) IN CONNECTION WITH A PROCUREMENT CONTRACT A PERSON MAY NOT WILLFULLY:

(1) FALSIFY, CONCEAL, OR SUPPRESS A MATERIAL FACT BY ANY SCHEME OR DEVICE;

(2) MAKE A FALSE OR FRAUDULENT STATEMENT OR REPRESENTATION OF A MATERIAL FACT; OR

(3) USE A FALSE WRITING OR DOCUMENT THAT CONTAINS A FALSE OR FRAUDULENT STATEMENT OR ENTRY OF A MATERIAL FACT.

(B) A PERSON MAY NOT AID OR CONSPIRE WITH ANOTHER PERSON TO COMMIT AN ACT UNDER SUBSECTION (A) OF THIS SECTION.

(C) A PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION IS GUILTY OF A FELONY AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING ~~\$20,000~~ ~~\$3,000~~ \$20,000 OR IMPRISONMENT NOT EXCEEDING ~~5~~ ~~3~~ 5 YEARS OR BOTH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1995.

Approved May 18, 1995.