

HOUSE BILL 74

P2
HB 1499/25 – HGO

(PRE-FILED)

6lr1506
CF SB 63

By: **Delegate S. Johnson**

Requested: October 30, 2025

Introduced and read first time: January 14, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

2 **State Procurement – Construction and Services – Contract Modification**

3 FOR the purpose of requiring a certain procurement contract for construction or security
4 services to include a clause requiring contract modification for increased costs for
5 compensation and benefits under certain circumstances; requiring a certain contract
6 that is modified to be contingent on approval by the Chief Procurement Officer; and
7 generally relating to procurement contracts for construction and services.

8 BY repealing and reenacting, with amendments,
9 Article – State Finance and Procurement
10 Section 13–218(b)
11 Annotated Code of Maryland
12 (2021 Replacement Volume and 2025 Supplement)

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

15 **Article – State Finance and Procurement**

16 13–218.

17 (b) **(1)** In addition to the clauses required under subsection (a) of this section,
18 a procurement contract for construction shall include:

19 **[(1)] (I)** a clause providing for contract modification if the condition of a
20 site differs from the condition described in the specifications; **[and]**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **[(2)] (II)** a clause covering the requirements for notice of contract claims,
2 submission of contract claims, and resolution of contract claims under § 15–219 of this
3 article; **AND**

4 **(III) IF THE CONTRACT IS FOR 3 YEARS OR MORE IN DURATION**
5 **AND IS VALUED AT GREATER THAN \$2,000,000, A CLAUSE REQUIRING CONTRACT**
6 **MODIFICATION FOR THE EQUITABLE ADJUSTMENT OF THE CONTRACT FOR**
7 **INCREASED COSTS FOR COMPENSATION AND BENEFITS AS A RESULT OF STATUTORY**
8 **CHANGES INCREASING REQUIRED COMPENSATION OR BENEFITS.**

9 **(2) IN ADDITION TO THE CLAUSES REQUIRED UNDER SUBSECTION (A)**
10 **OF THIS SECTION, A PROCUREMENT CONTRACT FOR SECURITY SERVICES THAT IS**
11 **FOR 3 YEARS OR MORE IN DURATION AND IS VALUED AT GREATER THAN \$2,000,000**
12 **SHALL INCLUDE A CLAUSE REQUIRING CONTRACT MODIFICATION FOR THE**
13 **EQUITABLE ADJUSTMENT OF THE CONTRACT FOR INCREASED COSTS FOR**
14 **COMPENSATION AND BENEFITS AS A RESULT OF:**

15 **(I) STATUTORY CHANGES INCREASING REQUIRED**
16 **COMPENSATION OR BENEFITS; OR**

17 **(II) COLLECTIVE BARGAINING.**

18 **(3) A CONTRACT THAT IS MODIFIED IN ACCORDANCE WITH**
19 **PARAGRAPH (1)(III) OR (2) OF THIS SUBSECTION IS CONTINGENT ON APPROVAL BY**
20 **THE CHIEF PROCUREMENT OFFICER.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2026.