

KIRILL REZNIK
Legislative District 39
Montgomery County

Appropriations Committee
Chair
Health and Social
Services Subcommittee

House Chair
Joint Committee on Behavioral Health
and Opioid Use Disorders



THE MARYLAND HOUSE OF DELEGATES
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Charlton T. Howard, III
Maryland State Prosecutor
300 East Joppa Road, Suite 410
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May 14, 2021

Dear Attorney General Frosh and State Prosecutor Howard,

I am writing out of concern over the recently released audit of the State's multiple purchases of 500,000 COVID test kits from LabGenomics in South Korea, and the chartering of flights specifically for the purpose of bringing the tests to Maryland, for \$12 million. The report produced by the Office of Legislative Audits (OLA) demonstrates not only a lack of oversight and transparency, but a strong indication that our State's procurement laws and regulations were violated.

As the report clearly states, there were no formal written contracts, no documentation for how vendors were selected, nor how the LabGenomics offer was evaluated. In addition, there is no information of who approved the payment, and staff have not been even able to identify the individual responsible for the decision to procure the tests. There is also speculation that a senior procurement employee of the Department of Health was terminated from his job when questions were raised about this and other "emergency" procurements.

A Board of Public Works (BPW) meeting held last week highlighted a clear lack of interest by the Administration in following laws and regulations regarding reporting requirements, where 46 "emergency" procurements failed to report on time to BPW. In some cases, BPW is still waiting for reporting after the procurement itself ended and, likely, final payment was made. I believe that OLA is conducting a separate audit of the emergency procurement with Blue Flame Medical, another disastrous procurement initially costing taxpayers \$12 million. All of this under the guise of the State's pandemic response.

I know that the intent was to help Marylanders in unprecedented times. However, even in unprecedented times; *especially* in unprecedented time, laws must be followed to maintain the trust and support of the public. In this case, regardless of intent, it appears that laws may have been broken in the process. At a minimum, it appears that the Hogan Administration, through the Chief Procurement

Officer, Secretary of General Services, and other cabinet officials, is playing fast and loose with the rules for expediency.

The ability of OLA to further investigation and act following the release of their report is limited. As such, I am writing today to ask the two of you to launch an investigation into the actions of the Department of Health, the Department of General Services, and the Governor's Office as to this, and other, emergency procurements and how they were handled.

Sincerely,

A handwritten signature in black ink, appearing to be 'KR' followed by a long horizontal flourish.

Delegate Kirill Reznik