

# SENATE BILL 829

P2

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CF HB 991

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By: **Senator Hayes**

Introduced and read first time: January 28, 2025

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2025

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Procurement – Minority Business Enterprise Program – Extension and**  
3 **Reports**

4 FOR the purpose of altering the termination date for certain provisions of law governing  
5 the Minority Business Enterprise Program and its application to public-private  
6 partnerships, offshore wind projects, and video lottery terminals; altering the date  
7 by which certain reports, studies, and guidelines must be submitted; and generally  
8 relating to the Minority Business Enterprise Program.

9 BY repealing and reenacting, with amendments,  
10 Article – Public Utilities  
11 Section 7–704.1(j)(4)  
12 Annotated Code of Maryland  
13 (2020 Replacement Volume and 2024 Supplement)

14 BY adding to  
15 Article – State Finance and Procurement  
16 Section 10A–404  
17 Annotated Code of Maryland  
18 (2021 Replacement Volume and 2024 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article – State Finance and Procurement  
21 Section 14–309  
22 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2021 Replacement Volume and 2024 Supplement)

2 BY repealing and reenacting, with amendments,  
3 Article – State Government  
4 Section 9–1A–10(c)  
5 Annotated Code of Maryland  
6 (2021 Replacement Volume and 2024 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Chapter 553 of the Acts of the General Assembly of 2020, as amended by Chapters  
9 137 and 138 of the Acts of the General Assembly of 2023  
10 Section 4 and 5

11 BY repealing and reenacting, with amendments,  
12 Chapter 728 of the Acts of the General Assembly of 2021, as amended by Chapters  
13 137 and 138 of the Acts of the General Assembly of 2023  
14 Section 2 and 3

15 BY repealing and reenacting, with amendments,  
16 Chapter 154 of the Acts of the General Assembly of 2012, as amended by Chapters  
17 200 and 201 of the Acts of the General Assembly of 2013, Chapter 340 of the  
18 Acts of the General Assembly of 2017, Chapter 117 of the Acts of the General  
19 Assembly of 2022, and Chapters 137 and 138 of the Acts of the General  
20 Assembly of 2023  
21 Section 2

22 BY repealing and reenacting, with amendments,  
23 Chapter 641 of the Acts of the General Assembly of 2022, as amended by Chapters  
24 137 and 138 of the Acts of the General Assembly of 2023  
25 Section 2(b) and (d)

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

28 **Article – Public Utilities**

29 7–704.1.

30 (j) (4) On and after July 1, [2025] **2026**, the provisions of this subsection and  
31 any regulations adopted in accordance with this subsection shall be of no effect and may  
32 not be enforced.

33 **Article – State Finance and Procurement**

34 **10A–404.**

1 (A) THE FINDINGS AND EVIDENCE RELIED ON BY THE GENERAL ASSEMBLY  
 2 FOR THE CONTINUATION OF THE MINORITY BUSINESS ENTERPRISE PROGRAM  
 3 UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE ARE HEREBY INCORPORATED.

4 (B) TO THE EXTENT PRACTICABLE AND PERMITTED BY THE UNITED STATES  
 5 CONSTITUTION, THE PROVISIONS OF THE MINORITY BUSINESS ENTERPRISE  
 6 PROGRAM UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE SHALL APPLY TO  
 7 PUBLIC-PRIVATE PARTNERSHIPS ESTABLISHED UNDER THIS TITLE.

8 (C) (1) THE BOARD OF PUBLIC WORKS MAY NOT APPROVE A  
 9 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT UNDER § 10A-203 OF THIS TITLE  
 10 UNTIL THE REPORTING AGENCY, IN CONSULTATION WITH THE GOVERNOR'S OFFICE  
 11 OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, THE OFFICE OF THE  
 12 ATTORNEY GENERAL, AND THE PRIVATE ENTITY, IF PERMISSIBLE, ESTABLISHES  
 13 REASONABLE AND APPROPRIATE MINORITY BUSINESS ENTERPRISE PARTICIPATION  
 14 GOALS AND PROCEDURES FOR THE PROJECT.

15 (2) TO THE EXTENT PRACTICABLE, GOALS AND PROCEDURES  
 16 ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE BASED ON  
 17 THE REQUIREMENTS OF TITLE 14, SUBTITLE 3 OF THIS ARTICLE, INCLUDING THE  
 18 IMPLEMENTATION OF REGULATIONS ADOPTED UNDER §§ 14-302 AND  
 19 14-303 OF THIS ARTICLE.

20 14-309.

21 The provisions of §§ 14-301 through 14-305 of this subtitle, and any regulations  
 22 adopted under those sections, shall be of no effect and may not be enforced after July 1,  
 23 [2025] 2026.

## 24 Article – State Government

25 9-1A-10.

26 (c) On or after July 1, [2025] 2026, the provisions of subsections (a)(1) and (2)  
 27 and (b) of this section and any regulations adopted under subsections (a)(1) and (2) and (b)  
 28 of this section shall be of no effect and may not be enforced.

## 29 Chapter 553 of the Acts of 2020, as amended by Chapters 137 and 138 of the Acts 30 of 2023

31 SECTION 4. AND BE IT FURTHER ENACTED, That the certification agency  
 32 designated by the Board of Public Works under § 14-303(b) of the State Finance and  
 33 Procurement Article to certify and decertify minority business enterprises, in consultation  
 34 with the Office of the Attorney General and the Governor's Office of Small, Minority, and  
 35 Women Business Affairs, shall initiate an analysis of the Minority Business Enterprise

1 Program requirements of § 10A–404 of the State Finance and Procurement Article and the  
2 disparity study submitted in accordance with this Act to evaluate compliance with the  
3 requirements of any federal and constitutional requirements and submit a report on the  
4 analysis to the Legislative Policy Committee of the General Assembly, in accordance with  
5 § 2–1257 of the State Government Article, on or before September 30, [2024] 2025.

6 SECTION 5. AND BE IT FURTHER ENACTED, That the certification agency  
7 designated by the Board of Public Works under § 14–303(b) of the State Finance and  
8 Procurement Article to certify and decertify minority business enterprises, in consultation  
9 with the Office of the Attorney General and the Governor’s Office of Small, Minority, and  
10 Women Business Affairs, shall initiate an analysis of the disparity study submitted in  
11 accordance with this Act to determine if it applies to the type of work that will be likely to  
12 be performed by an approved applicant with respect to an offshore wind project under §  
13 7–704.1(i) of the Public Utilities Article as enacted by Section 2 of this Act and submit a  
14 report on the analysis to the Legislative Policy Committee of the General Assembly, in  
15 accordance with § 2–1257 of the State Government Article, on or before September 30,  
16 [2024] 2025.

17 **Chapter 728 of the Acts of 2021, as amended by Chapters 137 and 138 of the Acts**  
18 **of 2023**

19 SECTION 2. AND BE IT FURTHER ENACTED, That on or before July 1, [2025]  
20 2026, the Special Secretary for the Office of Small, Minority, and Women Business Affairs,  
21 in consultation with the Secretary of Transportation and the Attorney General, shall  
22 establish policies and guidelines for the implementation of this Act.

23 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 31,  
24 [2025] 2026, the Governor’s Office of Small, Minority, and Women Business Affairs shall  
25 report to the General Assembly, in accordance with § 2–1257 of the State Government  
26 Article, on the establishment of minority business enterprise subgoals in accordance with  
27 this Act, including:

28 (1) whether the establishment of minority business enterprise subgoals  
29 was practicable based on the type of capital project; and

30 (2) whether any changes should be made to the capital minority business  
31 enterprise subgoal framework established by this Act.

32 **Chapter 154 of the Acts of 2012, as amended by Chapters 200 and 201 of the Acts**  
33 **of 2013, Chapter 340 of the Acts of 2017, Chapter 117 of the Acts of 2022, and**  
34 **Chapters 137 and 138 of the Acts of 2023**

35 SECTION 2. AND BE IT FURTHER ENACTED, That the Certification Agency, in  
36 consultation with the General Assembly and the Office of the Attorney General, shall  
37 initiate a study of the Minority Business Enterprise Program to evaluate the Program’s  
38 continued compliance with the requirements of the Croson decision and any subsequent  
39 federal or constitutional requirements. In preparation for the study, the Board of Public

1 Works may adopt regulations authorizing a unit of State government to require bidders  
2 and offerors to submit information necessary for the conduct of the study. The Board of  
3 Public Works may designate that certain information received in accordance with  
4 regulations adopted under this section shall be confidential. Notwithstanding that certain  
5 information may be designated by the Board of Public Works as confidential, the  
6 Certification Agency may provide the information to any person that is under contract with  
7 the Certification Agency to assist in conducting the study. The study shall also evaluate  
8 race-neutral programs and other methods that can be used to address the needs of minority  
9 businesses. The final report on the study shall be submitted to the Legislative Policy  
10 Committee of the General Assembly, in accordance with § 2-1257 of the State Government  
11 Article, on or before September 30, [2024] **2025**, so that the General Assembly may review  
12 the report before the [2025] **2026** Session.

13 **Chapter 641 of the Acts of 2022, as amended by Chapters 137 and 138 of the Acts**  
14 **of 2023**

15 SECTION 2. AND BE IT FURTHER ENACTED, That:

16 (b) The certification agency and the Governor's Office of Small, Minority, and  
17 Women Business Affairs shall submit the findings of the study required under subsection  
18 (a) of this section to the Legislative Policy Committee, in accordance with § 2-1257 of the  
19 State Government Article, on or before December 31, [2025] **2026**, so that the General  
20 Assembly may review the findings before the [2026] **2027** Session.

21 (d) The Governor's Office of Small, Minority, and Women Business Affairs, in  
22 consultation with the certification agency and the Office of the Attorney General, shall  
23 develop race- and gender-neutral approaches to address the needs of minority and  
24 women-owned businesses in the brokerage and investment management services industry  
25 and market and submit its report to the Legislative Policy Committee, in accordance with  
26 § 2-1257 of the State Government Article, on or before December 31, [2025] **2026**, so that  
27 the General Assembly may review, consider, and adopt race- and gender-neutral  
28 alternatives to remedial measures that are not race and gender neutral.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
30 1, 2025.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.