



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: House Bill 313 / Senate Bill 442 – Public-Private Partnership Agreements - Minority Business Enterprise Program

SPONSOR: Delegate Barnes

HEARING DATE: February 18, 2020

COMMITTEE: Budget and Taxation

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS House Bill 313 / Senate Bill 442**, which proposes that reporting agencies entering into Public - Private Partnership (P3) Agreements shall comply with the Minority Business Enterprise (MBE) Program in establishing reasonable and appropriate MBE goals.

SB 442 reestablishes a clause that the Board of Public Works may not approve a P3 agreement until a reporting agency, in consultation with the Governor's Office of Small, Minority and Women Business Affairs and Office of the Attorney General establishes reasonable and appropriate MBE participation goals for the project, as specified.

Current approval requirements for P3 agreements do not mandate the inclusion of MBE participation goals.

Historically, P3 projects have not only lacked MBE equity participation at the development level but more importantly have failed short of robust MBE utilization for the acquisition of goods and services towards delivery of the project.

Prince George's County is home to a significant number of minority business enterprises. Further, Prince George's County continues to see economic growth and development led by a variety of P3 projects.

At best, miniscule MBE goals of 10 -15% have been established for some P3 projects and no goals for others.

Both State and Local Disparity Studies continue to validate gaps in availability of MBEs and utilization.

Support for HB 313/SB 442 would:

- Help close the disparity utilization gap;
- Increase potential revenues for MBEs thereby improving both state and local economies through increased hiring; and,
- Grow MBE capacity over time for delivery of high-quality goods and services.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS House Bill 313/ Senate Bill 442** and asks for a **FAVORABLE** report.