

Procurement – Department of General Services – MBE Program Compliance Officer

Good Afternoon Mr. Chairman and Members of the Committee, Thank you for the opportunity to appear before you today.

Senator Griffith, I want to thank you for your unwavering support for Minority Business Enterprises.

For the record. My name is Gail Bassette, I'm the owner of an MBE certified business in Maryland and the former Secretary of the Maryland Department of General Services.

Establishing a MBE Chief Compliance Officer position within the Office of State Procurement to oversee the enforcement of MBE goals will improve transparency around MBE waivers that are granted to prime contractors who contend, for one reason or the other, that they are unable to achieve the MBE subcontracting goal that has been placed on a state contract.

Requiring the MBE Chief Compliance Officer to document and report a summary of reasons by prime contractors for each MBE waiver that is approved will provide the necessary information to understand the circumstances surrounding the decision to grant a waiver. This document will serve as a valuable tool that will identify gaps in MBE outreach approaches and practices and will assist State agencies and Prime

Contractors in the effort to create effective solutions that will reduce the number of waivers that are approved on state contracts, maximize the participation of MBEs on State projects and subsequently increase the opportunity for MBE subcontracting goals to be achieved.

For the last 3 fiscal years, the 29% MBE goal attainment has been declining, and there is no documented data that explains why these goal attainments have continued to decline each year.

In order for the MBE program to fulfill its purpose of ensuring the inclusion and participation of MBEs in Maryland's procurement and contracting opportunities, there must be accountability at every step of the procurement and contracting process.

For these reasons, I ask for a FAVORABLE REPORT on Senate Bill 649.