

# **Gail Bassette Testimony on SB 649.pdf**

Uploaded by: Bassette, Gail

Position: FAV

**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.

**Carrington 2021 SB 649 MBE compliance officer.pdf**

Uploaded by: Carrington, Darrell

Position: FAV



Carrington & Associates, LLC

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**SB 649      Procurement – Department of General Services – MBE Program  
Compliance Officer - SUPPORT**

Carrington & Associates, LLC SUPPORTS SB649. This bill requires the Secretary of General Services, in consultation with the Chief Procurement Officer in the Department of General Services, to appoint an MBE Program Compliance Officer in the Office of State Procurement to ensure compliance by certain procurement units with the participation goals of the State Minority Business Enterprise Program. It also requires the Officer to submit reports to the Board of Public Works and the Legislative Policy Committee of the General Assembly on or before September 1 each year that gives a detailed summary of the reasons for granting waivers of MBE goals, a detailed comparison of the MBE participation goals set by a unit for procurement contracts and the actual participation of MBE's and any other information that the Board may require.

This bill addresses a need that many of our MBE clients have complained about for years; a point person to ensure that units of state government are following the letter and the spirit of the MBE Program. While the goals of the Program are laudable, they cannot be purely aspirational. This legislation will help the state in ensuring that it has reliable data to determine if remedial measures are necessary to assist the state in reaching its MBE participation goals. We thank the Senate President Pro Tem Melony Griffith for this forward-thinking bill that addresses a long-standing issue in the MBE Program procurement process with units of state government.

For these reasons, Carrington & Associates, LLC enthusiastically supports SB649 and asks for your FAVORABLE report.

# **SB 649 Testimony.pdf**

Uploaded by: Griffith, Melony

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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

February 17, 2021

**Senate Bill 649 Procurement – Department of General Services – MBE Program Compliance Officer**

**Testimony of Senator Melony G. Griffith (Favorable)**

Good afternoon, Chair Pinsky, Vice-Chair Kagan, and members of the Education, Health, and Environmental Affairs Committee. I am requesting a favorable report Senate Bill 649, Procurement – Department of General Services – MBE Program Compliance Officer.

Senate Bill 649's main goal is to improve State transparency around waivers from Minority Business Enterprise (MBE) requirements by obligating the Office of State Procurement to provide all the reasons for each waiver granted annually. The bill will also establish the role of an MBE compliance officer position within the Office of State Procurement. The compliance officer would oversee the enforcement of MBE goals and issue an annual report that compares each agency's year end MBE participation vs. its participation goals.

In order for the MBE program to fulfill its purpose of ensuring that socially and economically disadvantaged business owners are included in Maryland's procurement and contracting opportunities, there must be accountability at every step of the procurement and contracting process. Senate Bill 649 will ensure this accountability and help Maryland meet its goal of 29% of the total dollar value of procurement contracts.

**2021 SB 649 MBE Comp Officer DGS LOI EHEA 2-17-21.**

Uploaded by: Robertson, Ellen

Position: INFO

Larry Hogan  
Governor

Boyd K. Rutherford  
Lt Governor



Ellington E. Churchill, Jr.  
Secretary

Nelson E. Reichart  
Deputy Secretary

OFFICE OF THE SECRETARY

**BILL:** Senate Bill 649  
Procurement – Department of General Services – MBE Program  
Compliance Officer

**COMMITTEE:** Senate Education, Health and Environmental Affairs

**DATE:** February 17, 2021

**POSITION:** Letter of Information

Upon review of Senate Bill 649 – Procurement – Department of General Services – MBE Program Compliance Officer, the Department of General Services (DGS) provides these comments for your consideration.

- Senate Bill 649 appears to **duplicate** the efforts and responsibilities of the Governor’s Office of Small, Minority and Women Business Affairs (GOSBA) and includes an additional reporting requirement of a detailed summary of the reasons provided by a unit head for granting each waiver of an MBE goal.
- Senate Bill 649 also appears to **duplicate** reporting of a unit’s MBE participation goals of its procurement contracts and the actual MBE participation (compliance) for that unit’s contracts at the end of the fiscal year along with any other relevant information required by the Board of Public Works (BPW).
- **DGS’s Office of State Procurement (OSP) does not have delegated control over all procurements in the State.** Therefore, it would be difficult for OSP to obtain MBE data for all procurements from all procuring units to complete the reports required under this bill. **The Governor’s Office of Small, Minority and Women’s Business Affairs (GOSBA) already has this authority.**
- Senate Bill 649 would have a **significant fiscal impact.** DGS estimates that the cost of establishing the Office will be **\$234,713 in FY 2022** and rise to **\$308,034 in FY 2026**. The above costs include creating **three full-time positions**, allocating and outfitting office space, acquiring equipment and supplies.



- DGS offers the following suggestions for increasing MBE participation:
  - Directed training for procurement officers on how to conduct a waiver request review in order to make a proper waiver request determination,
  - Require procurement officers to submit waiver requests and determinations to GOSBA for review before the agency head is requested to grant the waiver, and
  - Directed prime vendor training on how to conduct proper outreach to MBEs (as well as VSBEs) to acquire subcontractors as part of their bids or proposals.

For additional information, contact Ellen Robertson at 410-260-2908.