



**GOVERNOR'S OFFICE OF
SMALL, MINORITY & WOMEN
BUSINESS AFFAIRS**

Governor Wes Moore

Lt. Governor Aruna Miller

DATE: March 6, 2023
BILL NUMBER: HB 809
COMMITTEE: House Health and Government Operations Committee
BILL TITLE: State Procurement – Minority Business Enterprise Program – Extension and Reports
GOSBA POSITION: **FAVORABLE**

The Governor's Office of Small, Minority and Women Business Affairs (GOSBA) thanks the Committee for the opportunity to provide written support for House Bill 809 (HB 809). HB 809 alters the termination date for certain provisions of law governing the Minority Business Enterprise (MBE) Program, its application to offshore wind projects and video lottery terminals. The legislation provides an extension by which certain reports, studies, and guidelines must be submitted to the Maryland General Assembly.

To comply with requirements of SB 4 (Chapter 340) of the Acts of the General Assembly of 2017, this bill provides for an extension to the due date for the statewide Disparity Study and concurrently, an extension to the sunset date for Maryland's MBE Program.

Maryland's MBE statute currently provides that the program will terminate on July 1, 2022. Reauthorization of the MBE Program requires the State to establish that there are substantial and statically significant disparities that are consistent with discrimination against minorities and nonminority women in State procurement. The findings of the Disparity Study thereby serve as the evidentiary basis for either the continuation or termination of the MBE Program. Given that the current Disparity Study is delayed and completion/review is not anticipated until September 2023, continued operation of the MBE Program requires an extension through July 1, 2024.

The extension of the sunset date for the MBE Program will ensure that the State continues to facilitate the participation of small and minority-owned businesses in State procurement and, therefore, benefits them economically.

GOSBA respectfully requests a favorable report on HB 809.

Sincerely,

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