## FAVORABLE Support of SB 442/HB 313: Public-Private Partnership Agreements - Minority Business Enterprise Programs

Dear Chairman Guzzone and Members of the Budget and Taxation Committee:

**Senate Bill 442** proposes to restore the applicability of Maryland's Minority Business Enterprise (MBE) program to public-private partnerships (P3s).

As a certified small business owner in Maryland, I am keenly aware of the benefits of public-private partnerships. P3s enable greater private sector participation, expertise, and mitigate risk for state agencies engaged in large infrastructure projects.

Restoring the application of the MBE program to P3s would benefit my Minority Business Enterprise for several reasons. I launched my company, Laisar Management Group in 2009 after working with Fortune 500 companies for the last 30 years. My company provides socio-economic impact services and solutions to local governments and corporations that want to invest in the communities where they live and work. The first 6 months of starting my business was very challenging with few prospects for contracting opportunities. The best advice that I received was to get certified with the Maryland Department of Transportation as an MBE. With my certification in hand, I received 2 significant contracts within 6 months. The second contract was to support the implementation, compliance and monitoring of the Video Lottery Terminal program which had mandated that private developers designate a certain percentage of their contracts to certified MBEs. I was able to hire 3 employees as a result of that contract. From that vantage point, I also saw other MBEs get opportunities that would otherwise not have come to them. Without this initiative, the developers would have had no incentive to hire locally and many of these contracts would have gone to out of state companies. I have been fortunate enough to also have a contract with MGM National Harbor where I can see how a company committed to their local community creates economic equity that benefits all citizens. Too many P3 projects bypass local engagement and hire companies that are from outside the region. P3s bring significant investments to our local communities. MBEs and other small businesses are the life blood of these same communities. An intentional program to give MBEs such as Laisar the opportunity to work on these P3s creates economic equity in a way that other government programs cannot.

After the completion of the 2017 Business Disparities in the Maryland Market Area study, Chapter 340 of the 2017 Maryland Code reauthorized the MBE program for five more years. However, it did not restore the application of the program to P3s. Senate Bill 442 would restore that application, enabling my Minority Business Enterprise to thrive in Maryland.

Thus, I urge a favorable report on Senate Bill 442/House Bill 313.

Respectfully,

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