

**FAVORABLE Support of SB 772:
Expansion of the State Small Business Reserve Program**

Dear Chair and Members of the Education, Health and Environmental Affairs Committee:

My name is Charnell Ferguson and I am an aide for Prince George's County Council Member At-Large Mel Franklin, who could not be here due to Council commitments. Council Member Franklin is fully in support of Senate Bill 772, which expands the State's small business reserve program to 25% of public contracting and creates a bid preference for keeping those dollars with small businesses based in Maryland. I am also pleased to share that the Prince George's County Council has formally endorsed Senate Bill 772.

As we all know, small businesses are critical to job and wealth creation in Maryland. Many of our small businesses are also minority owned businesses and other emerging firms that are seeking to grow here in our State. The purpose of the small business reserve program is to ensure that our small business community can leverage our public procurement dollars to grow, create jobs, and add to our tax base. Established, large firms have the major advantage in procurement bidding to underbid their smaller counterparts due to their economies of scale, long bid histories, and greater abilities to absorb costs. The small business reserve program ensures that small businesses can more fairly compete for state procurement dollars by reserving a portion of procurement opportunities for small business bidding only. SB772 would increase this program to 25% of State Procurement and create a 5% preference for small businesses based in Maryland. The combined effect of these policies would be great for Maryland's small businesses and will further confirm what we already know: Maryland is clearly a "Pro-Small Business State." SB772 will lead to more of our State's procurement dollars staying and circulating here, thus creating more jobs, wealth, and commercial revenue locally.

Senate Bill 772 will create jobs, grow our small businesses, and generate higher commercial revenues for our State and local jurisdictions to support important public priorities.

Thus, on behalf of Council Member Mel Franklin, I urge a favorable report on Senate Bill 772.

Respectfully,

Charnell Ferguson
Council Member At-Large Mel Franklin
Prince George's County Council