
February 17, 2021

The Honorable Paul G. Pinsky
Chair, Education, Health, and Environmental Affairs Committee
2 West, Miller Senate Office Building
Annapolis, Maryland 21401

Re: Letter of Information – Senate Bill 703 – Procurement – Minority Business Enterprises – Qualification Certification

Dear Chairman Pinsky and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 703 but offers the following information for the Committee’s consideration.

Senate Bill 703 removes the provision requiring that a certified Disadvantaged Business Enterprise (DBE) from another jurisdiction must meet the eligibility requirements for the State Minority Business Enterprise (MBE) Program.

MDOT’s Office of Minority Business Enterprise (OMBE) is responsible for implementing the State’s Certification Program. As such, MDOT OMBE is the only office that certifies firms for participation in the State’s MBE Program and the Federal Disadvantaged Business Enterprise (DBE) Program.

Senate Bill 703 provides a benefit to out-of-state firms and penalizes Maryland firms. The bill requires the State to certify non-resident firms as MBEs, regardless of their ability to satisfy the Program’s requirements. Meanwhile, resident Maryland firms still must satisfy the eligibility requirements of the program. Specifically, the requirement that Maryland-registered firms must be in good standing with the Department of Assessment and Taxation (DAT) before conducting business in the State. With Senate Bill 703, an out-of-state DBE firm is not required to be registered at the time of certification, whereas a Maryland-based firm must be registered at the time of certification.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating Senate Bill 703.

Respectfully submitted,

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Maryland Department of Transportation
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