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March 23, 2022

The Honorable Guy Guzzone
Senate Budget and Taxation Committee
11 Bladen Street
3 West Miller Senate Office Building
Annapolis MD 21401

Re: SUPPORT – HB 399 – Washington Suburban Sanitary Commission – Minority Business Enterprise Utilization Program – Termination Extension PG/MC 105-22

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

The Washington Suburban Sanitary Commission (WSSC Water) **SUPPORTS** HB 399 – *Washington Suburban Sanitary Commission – Minority Business Enterprise Utilization Program – Termination Extension PG/MC 105-22*.

The proposed legislation will extend the statutory authority for the WSSC Minority Business Enterprise Utilization (MBE) Program for a period of one (1) year ending on June 30, 2023. Current authority to conduct this program sunsets on July 1, 2022.

The MBE program is administered by WSSC Water's Office of Supplier Diversity and Inclusion (OSDI) and facilitates the participation of certified minority business enterprises (MBEs) for solicitations for goods and services, as well as design/build construction contracts. Solicitations must include the expected degree of participation by MBEs as required by Maryland Annotated Code Public Utilities Article §§20-203 and 20-204. Authorization for WSSC Water's MBE program is based on a disparity study conducted every five years.

The disparity study determines the utilization and availability of minority and women owned firms within WSSC Water's market area for construction, architectural and engineering, goods and services and professional services. The disparity study determines whether disparities exist, and if found, identify by race, ethnicity, and gender of the affected individual. The disparity study provides the factual predicate – or evidence – necessary to meet the legal requirements for the continuation of the MBE program. The last disparity study was completed in 2015 and covered fiscal years 2010 to 2014.

Chairman Guzzone
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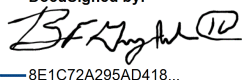
In conjunction with the disparity study, legislation authorizing the continuance of WSSC Water's MBE programs has historically requested for an extension with a sunset every five years. Based on the results of the 2015 Disparity Study, the General Assembly passed Ch. 562 (2017), reauthorizing WSSC Water's MBE program through July 1, 2022.

As the current authorization for program nears expiration, the continuation of WSSC Water's MBE program must be predicated on the results of the 2020 Disparity Study, which will assess the WSSC Water's procurement activity with minority and women-owned business enterprises for Fiscal Years 2015 through 2019. While this study is currently underway, unforeseen circumstances pertaining to COVID have impacted the collection of data resulting in a delay in completion until Spring 2022. Given this delay, WSSC Water is requesting an extension MBE Program's authorization in order to preserve the program while the disparity study is being completed.

WSSC Water requests a **FAVORABLE** report for HB 399 to extend the authorization of the WSSC Water MBE Program for one (1) year in to provide time for the completion of the current disparity study.

If you have any questions, please contact me at 240-917-5356 or guy.andes@wsscwater.com.

Sincerely,

DocuSigned by:

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Benjamin F. Guy Andes IV
Government Affairs Manager