

Department of Legislative Services  
Maryland General Assembly  
2003 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 527

(Senator Jones, *et al.*)

Education, Health, and Environmental Affairs

Health and Government Operations

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Minority Business Participation Advisory Committee

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This bill creates a seven-member Minority Business Participation Advisory Committee to: (1) review the performance of State agencies in meeting the Minority Business Enterprise (MBE) program goals; (2) identify strengths and weaknesses of the State's MBE program; (3) recommend measures to improve the program; and (4) study, review, and evaluate the disparity index for American Indians/Native Americans, Asians, Hispanics, and physically or mentally disabled individuals.

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Fiscal Summary

**State Effect:** The Governor's Office indicates that staffing the committee could be handled with existing resources. Likewise, any expense reimbursements for committee members could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** The committee shall submit its findings and recommendations to the Director of the Governor's Office of Minority Affairs (GOMA) and the Joint Committee on Fair Practices by January 1, 2004 and annually thereafter.

The committee consists of seven members: (1) one member of the Senate, appointed by the President of the Senate; (2) one member of the House of Delegates, appointed by the Speaker of the House; (3) three members, at least one of whom is Hispanic, who

demonstrate an expertise and interest in MBE, and who represent the various regions and ethnic groups within the State appointed by the Governor; (4) one member appointed by the Chair of the Legislative Black Caucus; and (5) one member appointed by the President of Women Legislators of Maryland. The term of the members is three years.

**Current Law:** Procurement units must annually report to the MBE certification agency (currently the Maryland Department of Transportation) and GOMA. The Board of Public Works (BPW) may adopt regulations requiring a unit of State government to require bidders and offerors to submit information necessary for a study of the program. Data collected in this manner will be the basis for a report due to BPW on September 30, 2005. BPW may designate certain information received under the regulations as confidential. However, the certification agency may provide the information to any person under contract with the certification agency to assist in the study.

Chapter 339 of 2001 established the current overall goal of 25% for the total value of contracts being awarded to certified minority business enterprises and separate goals of 7% for African-American businesses and 10% for women-owned businesses.

Each procurement unit must: (1) implement a program enabling the unit to evaluate each contract to determine the appropriateness of the goal; and (2) meet the maximum feasible portion of the goals by using race neutral measures to facilitate MBE participation in the procurement process.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Governor's Office, Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - March 3, 2003  
lc/jr Revised - Senate Third Reader - March 18, 2003

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