

**Department of Legislative Services**  
Maryland General Assembly  
2009 Session

**FISCAL AND POLICY NOTE**

Senate Bill 946 (Senators Pugh and McFadden)  
Education, Health, and Environmental Affairs Health and Government Operations

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**Minority Business Enterprise Program - Report to Joint Committee on Fair Practices**

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This bill requires that State procurement units submit a copy of their annual minority business enterprise (MBE) utilization reports to the General Assembly's Joint Committee on Fair Practices.

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**Fiscal Summary**

**State Effect:** None. State procurement units and the General Assembly can carry out the bill's requirements with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The State's MBE program establishes a goal that at least 25% of the total dollar value of each agency's procurement contracts be awarded to MBEs, including 7% to African American-owned businesses and 10% to woman-owned businesses. There are no penalties for agencies that fail to reach these targets. Instead, agencies are required to use race-neutral strategies to encourage greater MBE participation in State procurement.

Within 90 days after the end of each fiscal year, each State procurement unit must submit a report to the Governor's Office of Minority Affairs (GOMA) and the Maryland Department of Transportation (which certifies MBEs on behalf of the State) that, for the prior fiscal year:

- provides the total number and value of procurement contracts between the unit and certified MBEs, by specific MBE category;
- indicates the percentage of total procurement contracts represented by MBE contracts, by MBE category; and
- contains any other information required by GOMA.

By December 31 of each year, GOMA submits a summary of the MBE reports it receives from procurement units to the Board of Public Works and the General Assembly's Legislative Policy Committee.

**Background:** The Joint Committee on Fair Practices was established by Chapter 347 of 1996 and consists of three members of the Senate and three members of the House of Delegates. The committee oversees matters relating to equal opportunity in employment and procurement.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** HB 1336 (Delegate Braveboy, *et al.*) - Health and Government Operations.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - March 16, 2009  
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