

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 433 – *State Finance and Procurement – Small and Minority Business Participation*.

This bill clarifies what constitutes good cause for the purpose of removal of a certified minority business enterprise after the execution of a contract, and prohibits the failure of a certified minority business to provide a certain bond from being considered nonperformance. This bill also expands the Small Business Reserve Program to apply to all State agencies, raises the program's goal from 10% to 15% of the value of agency procurements, and alters the method of measuring whether agencies reach the goal. In addition, this bill requires the Special Secretary of Minority Affairs, in consultation with the Attorney General, to establish standards and guidelines for participation in the small business reserve program every 5 years.

Senate Bill 309, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 433.

Sincerely,

Lawrence J. Hogan, Jr.
Governor