

Department of Legislative Services

Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE

Enrolled - Revised

House Bill 826

(Chair, Health and Government Operations
Committee)(By Request - Departmental - Office of
Small, Minority, and Women Business Affairs)

Health and Government Operations

Education, Energy, and the Environment

**Office of Small, Minority, and Women Business Affairs - Repeal of
Interdepartmental Advisory Committee and Establishment of the Governor's
Subcabinet on Socioeconomic Procurement Participation**

This departmental bill repeals the Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs, and establishes the Governor's Subcabinet on Socioeconomic Procurement Participation, chaired by the Special Secretary of the Governor's Office of Small, Minority, and Women Business Affairs (GOSBA).

Fiscal Summary

State Effect: The Governor's Office can implement the bill, including staffing the Subcabinet, with existing resources. No effect on revenues.

Local Effect: None.

Small Business Effect: GOSBA has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: The Governor's Subcabinet on Procurement Participation must meet at least once each quarter, as determined by the chair, and must:

- study socioeconomic procurement programs in other states to identify successes and best practices;

- develop accountability measures for procurement forecasts, strategic plans, procurement review group processes, and liaison officer accountability;
- work with the Office of State Procurement to implement process improvements that directly impact socioeconomic procurement businesses' ability to fairly compete for and understand State contracting opportunities;
- identify and recommend statutory and regulatory reforms to strengthen and improve the State's socioeconomic procurement programs; and
- recommend actions to make improvements to the Small Business Reserve Program, Minority Business Enterprise (MBE) Program, and Veteran Small Business Enterprise Program.

On or before December 31, 2025, and each December 1 thereafter, the Subcabinet must report to the Governor on its activities, progress, and recommendations.

Current Law: The Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs is composed of (1) the secretary of each principal department of the Executive Branch of government, or their designee; (2) the State Superintendent of Schools, or designee; (3) the Secretary of Higher Education, or designee; and (4) the Special Secretary for the Office of Small, Minority, and Women Business Affairs. The committee must (1) advise the Special Secretary for the Office of Small, Minority, and Women Business Affairs on proposals to implement and enhance the duties of GOSBA, including the promotion of employment of minority persons in the State, and the promotion of the growth and participation of MBEs in the State; (2) gather such information that the committee deems necessary to promote GOSBA's goals; (3) provide other assistance that may be required to further the purposes of GOSBA and support MBEs; and (4) meet at the call of the Special Secretary for the Office of Small, Minority, and Women Business Affairs.

Background: The functions of the Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs began in 1986, when the Interdepartmental Advisory Committee for Minority Affairs was established within the Governor's Office of Minority Affairs. In June 2017, the Office was renamed the Governor's Office of Small, Minority, and Women Business Affairs, and the Committee was renamed the Interdepartmental Advisory Committee on Small Minority, and Women Business Affairs. Since that time, GOSBA has not received any indication that the legislative body has convened. Due to the lack of activity, GOSBA proposes to repeal the committee. In its place, GOSBA plans to establish a new committee to advise on initiatives to enhance the office's responsibilities and promote the growth and participation of MBEs, veteran-owned small business enterprises, and small and minority-owned businesses in the State.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Information Technology; Governor's Office of Small, Minority, and Women Business Affairs; Department of Commerce; Maryland Department of Aging; Maryland Department of Emergency Management; Maryland State Department of Education; Maryland Higher Education Commission; Maryland Department of Agriculture; Department of Budget and Management; Maryland Department of Disabilities; Maryland Department of the Environment; Department of General Services; Maryland Department of Health; Department of Housing and Community Development; Department of Human Services; Department of Juvenile Services; Maryland Department of Labor; Department of Natural Resources; Maryland Department of Planning; Department of Public Safety and Correctional Services; Board of Public Works; Department of State Police; Maryland Department of Transportation; Department of Veterans and Military Families; Department of Service and Civic Innovation; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2025
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Revised - Amendment(s) - March 18, 2025
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Government - Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs – Repeal

BILL NUMBER: HB 826

PREPARED BY: Davon Gardner

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

N/A