

HOUSE BILL 1206

P2

6lr3219

By: **Delegate Phillips**

Introduced and read first time: February 11, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Disadvantaged Business Enterprise (DBE) Reevaluation**
3 **Assistance Program – Established**

4 FOR the purpose of requiring the Department of Social and Economic Mobility, in
5 collaboration with the Department of Commerce, to establish the DBE Reevaluation
6 Assistance Program; and generally relating to the DBE Reevaluation Assistance
7 Program.

8 BY repealing and reenacting, with amendments,
9 Article – Economic Development
10 Section 2.5–106(18) and (19)
11 Annotated Code of Maryland
12 (2024 Replacement Volume and 2025 Supplement)

13 BY adding to
14 Article – Economic Development
15 Section 2.5–106(20)
16 Annotated Code of Maryland
17 (2024 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – State Government
20 Section 9–4103
21 Annotated Code of Maryland
22 (2021 Replacement Volume and 2025 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
24 That the Laws of Maryland read as follows:

25 **Article – Economic Development**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2.5–106.

2 The Department shall:

3 (18) work with community colleges to enhance the role of community
4 colleges in providing workforce training services, including industry–specific education and
5 training in response to the needs of the State; [and]

6 (19) (i) define, identify, and compile data on State and regional
7 workforce needs; and

8 (ii) work collaboratively with the Maryland Department of Labor
9 and the Maryland Higher Education Commission to produce uniform and consistent
10 baseline data, including common sources and measurements, about workforce needs to
11 inform State policies relating to postsecondary education; **AND**

12 **(20) COLLABORATE WITH THE DEPARTMENT OF SOCIAL AND**
13 **ECONOMIC MOBILITY TO ESTABLISH THE DBE REEVALUATION ASSISTANCE**
14 **PROGRAM UNDER § 9–4103(C) OF THE STATE GOVERNMENT ARTICLE.**

15 **Article – State Government**

16 9–4103.

17 (a) The purpose of the Department is to:

18 (1) provide support for units of State government, individuals, and
19 businesses for the maintenance of social equity policies in the State;

20 (2) monitor trends in social equity programs and policies across the nation;

21 (3) propose new and innovative approaches to social equity programs;

22 (4) compile and produce reports and recommendations related to social
23 equity;

24 (5) ensure the fulfillment of the roles and responsibilities of the entities
25 and social equity programs in the State for which it is the successor;

26 (6) track the performance of social equity programs and small or
27 disadvantaged business assistance programs;

28 (7) promote and encourage full participation in the regulated cannabis
29 industry by individuals from communities that have previously been disproportionately
30 impacted by the war on drugs in order to positively impact those communities and other
31 duties assigned to the Office of Social Equity established under this subtitle;

1 (8) support small or disadvantaged businesses in the State through all
2 duties assigned to the [Governor's] Office of Small, Minority, and Women Business Affairs;
3 and

4 (9) carry out the duties of the Office of Minority Business Enterprises
5 within the Maryland Department of Transportation, including duties assigned to support
6 small or disadvantaged businesses.

7 (b) The Department shall:

8 (1) connect a person with programs in State, federal, and local government
9 that serve designated populations to ensure the person is connected to programs and other
10 opportunities the person is eligible for;

11 (2) provide units of State government with assistance related to the
12 purpose of the Department by:

13 (i) facilitating information sharing between units;

14 (ii) maintaining an inventory of social equity work performed by
15 each unit and relevant reports from those units;

16 (iii) conducting policy analyses on social equity and the effectiveness
17 of social equity programs;

18 (iv) adopting standards for units to promote social equity; and

19 (v) providing technical assistance to units; and

20 (3) adopt regulations to carry out this subtitle.

21 (c) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
22 MEANINGS INDICATED.

23 (ii) "ELIGIBLE BUSINESS" MEANS A MARYLAND-BASED
24 BUSINESS THAT:

25 1. WAS CERTIFIED AS A DISADVANTAGED BUSINESS
26 ENTERPRISE BY THE FEDERAL GOVERNMENT ON OCTOBER 3, 2025; AND

27 2. A. HAS BEEN NOTIFIED THAT IT MUST UNDERGO
28 REEVALUATION; OR

29 B. HAS APPLIED FOR RECERTIFICATION AFTER A
30 REEVALUATION DENIAL.

1 (III) "PROGRAM" MEANS THE DBE REEVALUATION
2 ASSISTANCE PROGRAM.

3 (2) ON OR BEFORE DECEMBER 1, 2026, IN COLLABORATION WITH
4 THE DEPARTMENT OF COMMERCE, THE DEPARTMENT SHALL ESTABLISH THE DBE
5 REEVALUATION ASSISTANCE PROGRAM.

6 (3) THE PURPOSE OF THE PROGRAM IS TO PROVIDE THE FOLLOWING
7 SERVICES TO ELIGIBLE BUSINESSES:

8 (I) APPLICATION PREPARATION ASSISTANCE;

9 (II) FINANCIAL DOCUMENTATION ASSISTANCE;

10 (III) OWNERSHIP AND CONTROL DOCUMENTATION REVIEW;

11 (IV) NARRATIVE AND AFFIDAVIT PREPARATION;

12 (V) LEGAL STRUCTURE COMPLIANCE GUIDANCE;

13 (VI) PRE-SUBMISSION APPLICATION REVIEW FOR
14 COMPLETENESS; AND

15 (VII) ADMINISTRATION APPEAL SUPPORT THAT DOES NOT
16 INCLUDE LEGAL ASSISTANCE.

17 (4) THE PROGRAM MAY PROVIDE THE SERVICES LISTED UNDER
18 PARAGRAPH (3) OF THIS SUBSECTION:

19 (I) DIRECTLY; OR

20 (II) THROUGH AGREEMENTS WITH THIRD PARTIES, INCLUDING:

21 1. SMALL BUSINESS DEVELOPMENT CENTERS;

22 2. CLINICS OPERATED BY LAW SCHOOLS OR BUSINESS
23 SCHOOLS;

24 3. NONPROFIT BUSINESS SUPPORT ORGANIZATIONS;
25 AND

26 4. PROVIDERS OF ACCOUNTING OR LEGAL ASSISTANCE.

1 **(5) THE PROGRAM SHALL IDENTIFY OPPORTUNITIES TO INCREASE**
2 **OUTREACH TO ELIGIBLE BUSINESSES AND MAXIMIZE THE PROVISION OF SERVICES**
3 **TO ELIGIBLE BUSINESSES, INCLUDING BY HOSTING CLINICS, WORKSHOPS, AND**
4 **ONE-ON-ONE TECHNICAL ASSISTANCE.**

5 **(6) ON OR BEFORE DECEMBER 31, 2027, THE DEPARTMENT SHALL**
6 **SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THIS**
7 **ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE**
8 **GOVERNMENT, LABOR, AND ELECTIONS COMMITTEE ON:**

9 **(I) THE NUMBER OF ELIGIBLE FIRMS SERVED BY THE**
10 **PROGRAM;**

11 **(II) THE NUMBER OF ELIGIBLE FIRMS SERVED BY THE**
12 **PROGRAM THAT COMPLETED SUCCESSFUL REEVALUATIONS UNDER THE FEDERAL**
13 **DISADVANTAGED BUSINESS ENTERPRISE PROGRAM; AND**

14 **(III) AN ESTIMATE OF THE TOTAL AMOUNT OF FEDERAL**
15 **FUNDING PRESERVED BY THE PROGRAM.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2026. It shall remain effective for a period of 2 years and, at the end of June 30, 2028,
18 this Act, with no further action required by the General Assembly, shall be abrogated and
19 of no further force and effect.