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Judicial Proceedings Committee

Joint Committees

Children, Youth, and Families

Cybersecurity, Information
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Ending Homelessness



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony for SB 689
Office of Small, Minority, and Women Business Affairs
Duties of the Special Secretary Minority Business Enterprises
Before the Health, Education, and Environmental Affairs Committee
On February 17, 2021

Good afternoon Mr. Chairman, members of the Health, Education and Environmental Affairs Committee,

As announced in the Maryland Code, the State of Maryland is committed to helping to minorities and the communities in which they live.¹ The Minority Business Entity Program (“MBE”) was created to act on that commitment. SB 689 will strengthen that commitment by institutionalizing key mentorship and recognition programs to help develop minority businesses.

First, SB 689 implements a mentorship program for MBE. This mentorship program will provide increased networking and educational opportunities, recognition of participating mentors, a certificate of participation (awarded by the Office of Small, Minority, and Women Business Affairs (the “Office”)), and the opportunity to present highlights of mentor-protégé relationships at an annual appreciation event.

Second, SB 689 will have the Office conduct a feasibility study for a one-on-one technical assistance program for minority businesses submitting contracts. It will also provide training and education to non-minority prime contractors who have duties with respect to minority businesses.

Last, SB 689 will establish an annual awards program recognizing localities that demonstrate excellence in minority business support.

SB 689 is derived from our bipartisan *Report of the Senate President’s Advisory Workgroup on Equity and Inclusion* Wealth and Economic Opportunity Recommendation 3 which states:

¹ MD. CODE ANN., STATE GOV’T, § 9-304. General Duties of the Special Secretary of the Office of Small, Minority, and Women Business Affairs.

Strengthen support programming in the Governor's Office of Small, Minority and Women Business Affairs for MBEs by establishing a mentoring program in which larger and more established MBEs mentor smaller and younger MBEs.²

SB 689 also takes lessons from similar successful programs across the country: Georgia's Small Business Administration's implementation of a mentor-protégé program;³ Portland's certification program for Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans Business Enterprises;⁴ Chicago's incentives for encouraging MBE and WBE utilization,⁵ and the D.C. Water and Sewer Authority's Business Development Plan focused on full and equitable opportunities for minority businesses.⁶

Building an institutional framework for the continuing education of minority businesses and network development is the natural step to ensuring the long-term success of minority businesses. For these reasons, I ask you to vote favorably and support SB 689.

² *Report of the Senate President's Advisory Workgroup on Equity and Inclusion*, January 2021, pg 22.

³ Andrew Smith, *5 Things You Should Know About SBA's 'All Small' Mentor-Protégé Program*, GEORGIA TECH PROCUREMENT ASSISTANCE CENTER (Oct. 5, 2017), <https://gtpac.org/2017/10/05/5-things-you-should-know-about-sbas-all-small-mentor-protege-program/>.

⁴ CITY OF PORTLAND, OREGON, *D/M/W/ESB/SDVBE Contractors and Workforce Training and Hiring* (last visited Feb. 15, 2021), <https://www.portlandoregon.gov/brfs/article/396799>.

⁵ CHICAGO MUNICIPAL CODE § 2-92-525. Contracts – Bid incentive to encourage MBE and WBE utilization.

⁶ DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY, *Business Development Plan* (Effective June 12, 2009), <https://www.dwater.com/sites/default/files/Procurement/Business%20Development%20Plan.pdf>.