



## GOVERNOR'S COORDINATING OFFICES

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CRIME CONTROL & PREVENTION • SMALL, MINORITY & WOMEN BUSINESS AFFAIRS  
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**BILL TITLE:** HB1214- Procurement - Transparency and Application to County Contracts

**DATE:** March 29, 2021

**COMMITTEE:** Education, Health and Environmental Affairs

**POSITION:** **Letter of Concern**

The Governor's Office of Small, Minority & Women Business Affairs (GOSBA) has reviewed HB1214- Procurement - Transparency and Application to County Contracts, and would like share additional information and operational concerns regarding this bill.

### **Bill Summary**

This bill applies State procurement law to any county governmental entity entering into a procurement contract either using State funds or for the benefit of the State. It also requires the Governor's Office for Small, Minority, and Women Business Affairs (GOSBA) to assign a staff member to each State and county procurement unit to observe procurement processes and ensure that minority business enterprise (MBE) goals are met to the best of the unit's capacity. The bill requires specified procurement-related information to be posted publicly, specified notices to be sent to bidders and offerors, and specified information to be included in solicitations. It also alters the timeframes for the filing of bid protests.

### **Concerns**

The Governor's Office of Small, Minority & Women Business Affairs (GOSBA) is charged with connecting Maryland's small business community to greater economic opportunities in both the public and private sectors, while implementing and monitoring small, minority, women, and veteran procurement programs across 70 state agencies.

In its capacity as an oversight agency, however, GOSBA does not function as a procurement unit nor does it perform technical procurement duties akin to those performed by the Office of State Procurement. GOSBA is a small agency having nine employees total whose designated duties span from leadership/upper management, communications/outreach, policy/legislation to compliance and reporting for the MBE as well as the State's two other socioeconomic programs – the Small Business Reserve Program and the Veteran Small Business Enterprise Program.

Thereby, within the State's procurement structure and statute, each respective agency is tasked with implementing Minority Business Enterprise (MBE) law in their day-to-day procurement operations; this includes functions such as development of requests for proposals/qualifications, evaluating bids and performing MBE goal setting determinations for their respective projects/solicitations using GOSBA's best practice guidelines.

Under the proposed legislation, GOSBA's function would significantly expand to not only require hands-on oversight of day-to-day technical procurement operations at the State level, but at the county level as well. It is worth noting that many counties already have established MBE Programs and the requirements of this bill may necessitate an overhaul of said programs.

The massive undertaking proposed by this bill would require significant agency restructuring and the addition of 97-100 new personnel.

**GOSBA respectfully requests the committee consider this information as it deliberates on House Bill 1214.**

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