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Governor

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Lt Governor



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Secretary

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Deputy Secretary

OFFICE OF THE SECRETARY

**BILL:** **House Bill 790**  
Procurement – Office of Small, Minority, and Women Business Affairs –  
Small Business Reserve Program and Veteran–Owned Small Business  
Enterprise Program

**COMMITTEE:** House Health and Government Operations

**DATE:** March 3, 2021

**POSITION:** Support

House Bill 790 is the outcome of recommendations from the Veteran-owned Small Business Enterprise (VSBE) Study Work Group as requested by the Chairs of the Senate Finance and House Health and Government Operations Committees. The Department of General Services (DGS) was directed to form a work group whose mandate was to undertake a study and review of various aspects of the VSBE Program and to prepare a report with recommendations for improvement.

House Bill 790 provides for changes to the State Finance and Procurement Article and are the result of the VSBE Study Work Group Report:

- House Bill 790 adds VSBEs to the definition of Small Business under State Finance & Procurement Article § 14-501 and requires that solicitation documents include goals for both **prime** contracting **and subcontracting** opportunities.
- House Bill 790 requires the Governor’s Office of Small, Minority and Women Business Affairs (GOSBA) to establish the percentage goal for small business participation. This change provides greater flexibility in increasing VSBE participation.
- An advisory committee would work with GOSBA and members from the vendor community to review and evaluate the effectiveness of the program and make recommendations on improvement. This committee includes members that are also members of the Procurement Improvement Council (PIC). This will ensure that any procurement issues are brought to the PIC for further discussions and implementation of changes to policies, procedures, best practices, and training, as needed.
- **House Bill 790 will positively affect small businesses by providing more opportunities to not only veteran-owned small businesses, but all small businesses through prime contracting opportunities beyond just subcontracting.**

The Department of General Services requests a favorable report for House Bill 790, for additional information contact Ellen Robertson, DGS Legislative Liaison, at 410-260-2908.

