

Wes Moore Governor

Aruna Miller Lieutenant Governor

Paul J. Wiedefeld Acting Secretary

February 8, 2023

The Honorable Guy Guzzone Chair, Senate Budget and Taxation Committee 3 East Miller Senate Office Building Annapolis MD 21401

RE: Letter of Support – Senate Bill 334 – State Procurement – Minority Business Enterprise Program –Extensions and Reports

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) supports Senate Bill 334, as it would allow for the continuation of the State's Minority Business Enterprise (MBE) Program and application of program tenets to the offshore wind and video lottery terminal industries, and public-private partnerships. In addition, the due dates for the submission of policies, guidelines, and subgoals for the capital grants program as well as the due date for a study on diversity in the brokerage and investment management services industry are extended via Senate Bill 334.

As the Certifying Agency of the State's MBE Program, and in accordance with Senate Bill 4, Chapter 340, Acts of 2017, and Senate Bill 192, Acts of 2022, MDOT initiated a Statewide availability and utilization study (Study) with an eye toward delivering a final report to the Legislative Policy Committee (the Committee) of the General Assembly in September 2023. The contract for the consultant to complete the study was approved by the Maryland Board of Public works on January 5, 2022.

A Statewide study that is unprecedented in size and scope coupled with a temporary pause on work to accommodate the completion of a standalone and expedited Adult-Use Cannabis Disparity Study, has resulted in delays. The Study's data collection efforts and analysis will resume upon completion of the Adult-Use Cannabis Study and a final draft and Study report is anticipated to be delivered by September 30, 2024.

In the interim, Senate Bill 334's extension of the due date for the report on the Study, as well as concurrent extensions of the MBE Program's sunset dates for various related industries and fringe analyses, will allow the MBE Program to remain operational, which is a benefit to the Maryland business community.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 334 a favorable report.

Respectfully Submitted,

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