

March 7, 2023

The Senate of Maryland James Senate Office Building 11 Bladen Street Annapolis, MD 21401

Dear Chair and Committee Members:

Subject: Senate Bill 510: Procurement Minority Business Enterprises and Veteran-Owned Small Business Enterprises - Participation Goal Scorecard Sponsored by Senator Antonio Hayes

Early Morning Software, Inc. (EMS) is writing a testimony in favor of SB0510 - Procurement Minority Business Enterprises and Veteran-Owned Small Business Enterprises - Participation Goal Scorecard.

EMS is headquartered in Baltimore, Maryland and certified by Maryland Department of Transportation as Minority, Woman, and Disadvantaged Business Enterprise. Our company was certified in 1995. We were founded in 1993 as a regional software research lab servicing government client, including state of Maryland agencies, NSA and Center for Medicare and Medicaid Services. Over the last three decades we have expanded and evolved to a national software manufacturer company where our flagship product is PRiSMCompliance.com. PRiSM is a comprehensive software platform used primarily by local and state government to manage the performance of their Minority Business Enterprise Program, Certification Management and Contract Compliance. Our customers include several MD Departments. The PRiSMCompliance.com portal allows our clients to automate the operations associated with goal setting, evaluating sub plan, and more importantly reporting MBE participation on contracts and overall procurement. The net results are greater access to opportunities for MBEs and transparency to measure the MBE participation on their contracts and non-compliance.

Our non-profit organization, COMPASS Institute for Diversity, Equity and Inclusion, provides professional development for leaders and staff responsible for MBE and Economic Inclusion. We have authored "The Top Ten Principles For Successful Economic Inclusion Programs and Practices" which encourages organizations to initiate Performance Scorecards and a implement the 10 principles that have proven to propel MBE economic impact and development.

Minority Business Enterprises legislation and program policies are vital to create opportunities for MBEs and eliminate systemic barriers to contracting opportunities.

A management theorist was recognized for the saying "What gets measured gets improved."

I am Donna Stevenson, M/WBE and CEO, my quote to leaders is

Platinum Economic Inclusion Practices elevate Performance, and that Performance produces exponential MBE Economic Impact.

The subject Senate Bill 510 and House Bill 816 will transform the performance of Maryland's MBE program and economy. By requiring Maryland Departments to have measures and report a performance



scorecard inherently shifts leaders from resting on their laurels to focus on complying with Maryland Law and on the MBE economic impact that will propel the state of Maryland to be more competitive and inclusive of all its citizens. The Performance Scorecard positions Departments with metrics on MBE participation for reaching the state's overall MBE goal of 29%.

According to the Governor's Office of Small, Minority and Woman Business Affairs' annually report of the MBE Participation Rates by Agency (See Table on next page). Most Maryland departments do not reach the state's overall MBE of 29%.

As an expert consultant and solution provider, EMS has helped numerous governments across the country implement Platinum Standards and as a result witnessed the expansion of MBE's access to procurement opportunities and increase of MBE participation. *INTENTIONAL* legislation and actions such from House Bill 816 and Senate Bill 510 may yield the following benefits:

- Leaders will understand the importance of and enact practices to comply with MD MBE laws;
- Departments will examine and determine the gaps in their MBE program management processes;
- They will identify new procurement categories for MBE participation;
- Maryland's MBE will have more procurement opportunities which may be the catalyst to business growth, as it was tantamount to Early Morning Software's success.
- Maryland MBEs will produce greater economic impact through
  - o increased taxes property, sales and income to the State of Maryland
  - o increased income and revenues leads to stronger and safer communities
  - o expanded job creation which stimulates home ownership and healthy families.

Early Morning Software, Inc. strongly urges favorable support for House Bill 816 and Senate Bill 510.

Respectfully submitted,

Done S. Sterenson

Donna S. Stevenson

President/CEO

**Enclosure** 



## Minority Business Enterprise Participation Rates, by Agency Fiscal 2021

Cabinet Agency	% Participation
Aging	0.1%
Agriculture	5.0%
Budget and Management	1.0%
Commerce	2.2%
Education	4.4%
Environment	33.4%
Executive Department	2.2%
General Services	15.3%
Health	3.6%
Higher Education Commission	0.7%
Housing and Community Development	22.6%
Human Services	NA
Information Technology	6.0%
Juvenile Services	12.6%
Labor	3.3%
Military	1.4%
Natural Resources	1.2%
Planning	1.2%
State Police	8.2%
Public Safety and Correctional Services	33.3%
Transportation – Aviation Administration	21.5%
Transportation - Motor Vehicle Administration	32.8%
Transportation – Office of the Secretary	28.20%
Transportation – Port Administration	17.8%
Transportation – State Highway Administration	24.5%
Transportation - Transit Administration	23.9%
Transportation – Transportation Authority	19.3%
Statewide Total <sup>1</sup>	17.2%

<sup>&</sup>lt;sup>1</sup> Includes the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and non-Cabinet agencies.

NA: Not Available/Did Not Report

Source: Governor's Office of Small, Minority, and Women Business Affairs