



Early Morning Software, Inc.
227 North Holliday Street
Baltimore, MD 21202

March 2, 2023

The Maryland House of Representatives
House of Delegates, Room 319
6 Bladen Street
Annapolis, MD 21401

Dear Health and Government Chairwoman and Operations Committee Members

Subject: House Bill 743 and Senate Bill 438: Minority Business Enterprises – Calculation of Participation Rates – Procurements From Maryland Correctional Enterprises

Early Morning Software, Inc. (EMS) is writing a testimony in favor of SB0348 - HB0743 - Calculation of MBE Participation Rates for MCE Procurements. 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 have expanded our offerings and services from a regional IT company to a national software manufacturer developing PRISMCompliance.com, a comprehensive Minority Business Enterprise Program and Compliance Management Software. Our customers include state and local governments, inclusive of several MD Departments, that utilize the PRISMCompliance.com portal to facilitate equitable opportunities for MBEs, as well as track and measure the MBE participation on their contracts.

Minority Business Enterprises legislation and program policies are vital to create opportunities for MBEs and eliminate systemic barriers to contracting opportunities. If not for robust MBE laws and monitoring processes, MBEs would have access to contract opportunities. The subject Senate Bill and House Bill advances the purpose of the MBE program. By including the Maryland Correctional Enterprises expenditures and increasing the total annual procurements, effectively expands the consideration for MBE participation for departments seeking to reach the state's overall MBE goal of 29%.

For years, the state of Maryland excluded select categories procurements from MBE participation. As the awareness of MBE firms available to provide products and services, the state of Maryland expanded its MBE goals and quickly received more competitive and financially viable offerings for the State. The same opportunity exists with the adoption of this Bill.

The Governor's Office of Small, Minority and Woman Business Affairs, annually reports 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 to numerous governments across the country, EMS has witnessed the expansion of MBE's access to equitable procurement opportunities and increase of MBE participation from *INTENTIONAL* legislation and actions. House Bill 743 and Senate Bill 438 is *INTENTIONAL* and may yield the following benefits:

- Departments will examine and identify new procurement categories for MBE participation.



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- 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 increased tax and income revenues, and job creation which stimulates sales and property tax base.

Early Morning Software, Inc. strongly urges favorable support for House Bill 743 and Senate Bill 438.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Donna S. Stevenson'.

Donna S. Stevenson

President/CEO

Enclosure



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

<u>Cabinet Agency</u>	<u>% Participation</u>
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 Total¹	17.2%

¹ 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
