

March 2, 2023

Chair and Members of the Health and Government Operations Committee Room 241 House Office Building Annapolis, MD 21401

Re: HB743 – Minority Business Enterprises – Calculation of Participation Rates – Procurements from Maryland Correctional Enterprises.

Health and Government Operations Committee:

My name is Tony Hill, and I am one of the founding members of Edwards & Hill Office Furniture, a Full-Service Furniture Dealership founded in the state of Maryland in 1998. For 24 years we have operated in the state and after a point stopped pursuing state business because we cannot compete with MCE from a cost perspective. It is my understanding that the program is designed to give inmates a skill that they can use upon reentry into society. I would be interested in seeing if these numbers are being tracked and to date, how many inmates who have worked in this program have returned to society and how many have been able to gain employment using the skills learned in the program? Furthermore, how much in payment did they receive for the work done under the program?

My experience is that end users often ask me if I can help them get a waiver to be able to purchase the furniture that they need instead of what MCE can supply and there has been an even larger complaint that MCE does not do good work and does not deliver on time. MCE receives furniture from mostly out of state manufacturers and the money goes back to those factories instead of impacting Maryland businesses.

Some years ago, I was asked to bid on furniture and asked if I would be able to help with a waiver because MCE did not have the product that would meet the statement of work. Both MCE and Edwards & Hill Office Furniture brought a desk on site for the end user to evaluate. The Edwards & Hill desk offered exactly what the Statement of Work requested. The MCE supplied desk did not meet the criteria and exhibited a dangerous feature that could cause injury, while the Edwards & Hill desk offered a special feature that made it safe. After delivering a desk to the client for evaluation, design, meetings, pricing, etc., which all created significant cost for Edwards & Hill, the bid was awarded to MCE. I saw the end user nearly 2 years later and I asked how the project went and I was told that the furniture had still not been delivered.

I do not believe that purchases with MCE should have an effect on availability of funds to spend with MBE's. In addition, I believe that MCE has an unfair advantage that keeps MBE's such as Edwards & Hill Office Furniture from competing for state business, thus making it harder to be profitable and to hire employees who will add to

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the state's tax base as well as contributing to the overall economy.

Finally, isn't it ironic that the MBE program was designed to help minority businesses and MCE uses minorities in the form of prison labor and that prison labor limits the amount of spend with minority businesses. This legislation does not affect MCE ability to operate as it currently does. It simply does not allow state agencies to use their spend with Maryland Correctional Enterprises to skew the participation rates of state business done with actual Minority Business Enterprises.

Thank you for allowing me to share my experience with you and the ramifications on my business and the state economy.

Very truly yours,

Tony Hill

Managing Member

Edwards & Hill Communications, LLC.

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