

February 27th, 2024

Delegate Peña-Melnyk, Chair Health and Government Operations Committee 241 House Office Building Annapolis, MD 21401

RE: HB 962 – <u>LETTER OF INQUIRY</u> – State Procurement – Small and Minority Business Reserve Program (Parren J. Mitchell MBE Prime Contracting Act)

Dear Chair Peña-Melnyk and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 962 requires state procurement units to structure its procurement procedures to add a minimum of 10% of the unit's total dollar value of their contracts to be made directly to certified minority business enterprises.

MTBMA understands the importance of ensuring minority business enterprises are given ample opportunities to participate in procurement contracts. However, we are curious as to why this percentage cannot just be wrapped up into the already existing 15% for small businesses in the law. We would also recommend maybe turning this bill into a study to review the capabilities of meeting this percentage minimum.

We appreciate you taking the time to look into HB 962.

Thank you.

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association