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Senate Budget and Taxation Committee

Chair Guzzone and Members of the Committee

Good afternoon, Chair Guzzone and members of the Senate Budget and Taxation Committee. My name is Tasha Cornish, and I am the Executive Director of the Cybersecurity Association, Inc. (CA), a statewide, nonprofit 501(c)(6) organization dedicated to the growth and success of Maryland's cybersecurity industry. Established in 2015, CA represents over 600 businesses, ranging from Fortune 500 companies to independent operators, collectively employing nearly 100,000 Marylanders.

Thank you for the opportunity to provide testimony on **Senate Bill 426 – Procurement Reform Act of 2025**. This bill proposes comprehensive reforms to Maryland's procurement processes, aiming to enhance efficiency, transparency, and inclusivity. The Cybersecurity Association, Inc. **supports SB 426 with amendments** to address specific concerns and ensure the legislation benefits all stakeholders, particularly small and emerging businesses within Maryland's cybersecurity sector.

Support for Changes to §15–103

The Association strongly supports the proposed changes to §15–103, which include shortening the payment timeline for small businesses. This change is critical for small businesses, as faster payment processing improves cash flow, reduces financial strain, and enhances their ability to compete effectively in state procurement opportunities. Timely payments are often the difference between success and struggle for small businesses, especially in the rapidly evolving cybersecurity industry where operational costs can be substantial.

Recommended Amendments

- 1. Establish a Maximum Timeframe Between Recommended Award Announcement and Board of Public Works Approval
 - Proposal: Define a specific maximum period between the announcement of a recommended contract award and its approval by the Board of Public Works.
 - o **Rationale:** Implementing a defined timeframe ensures a **predictable and efficient procurement process**, reducing uncertainty for businesses awaiting contract finalization. This predictability is particularly important for cybersecurity firms managing project timelines and resource allocations.
- 2. Allow Procuring Entities to Petition for a Waiver of the Time Limit for Good Cause
 - Proposal: Permit procuring entities to request a waiver of the established timeframe in cases of good cause, such as complex contract negotiations or unforeseen administrative delays.
 - o **Rationale:** This amendment provides necessary **flexibility** for exceptional circumstances while maintaining accountability and efficiency in the standard procurement timeline.

Concerns Regarding Apprenticeship Requirements

While we support the bill's intent to foster workforce development through apprenticeship programs, we have concerns that the **apprenticeship requirements** may impose **undue burdens on smaller businesses**, potentially limiting their ability to compete for state contracts. Smaller cybersecurity firms often lack the administrative capacity and resources to manage formal apprenticeship programs, which could create barriers to entry in the procurement process.



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Recommendation: We recommend that the bill include provisions to:

- Provide flexibility or waivers for small businesses concerning apprenticeship mandates, or
- Offer robust support mechanisms to help small businesses meet apprenticeship requirements without disproportionate administrative or financial burdens.

Conclusion

By incorporating these amendments, SB 426 will strengthen Maryland's procurement framework, **promote fair competition**, and **support the growth of small and emerging businesses**, particularly in the cybersecurity sector. The bill's focus on **streamlining payments**, **improving procurement timelines**, and **enhancing transparency** aligns with the needs of Maryland's dynamic business community.

Thank you for your time and consideration. I urge a **favorable report on SB 426 with the proposed amendments**.

Sincerely.

Tasha Cornish Executive Director

Cybersecurity Association, Inc.

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