

## **HB 500**

### **Procurement Reform Act of 2025**

House Health and Government Operations Committee

February 17, 2025

Good afternoon, Chair Pena-Melnyk and members of the House Health and Government Operations 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 **House Bill 500 – 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 HB 500 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.

### **Regarding Apprenticeship Requirements**

While we support the bill's intent to foster workforce development through apprenticeship programs, **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.

**Recommendation:** We recommend that the bill include provisions to:

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

## Conclusion

By incorporating these amendments, HB 500 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 HB 500 with the proposed amendments**.

Sincerely,

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