

MARYLAND LEGISLATIVE LATINO CAUCUS

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TO: Delegate Joseline A. Pena-Melnyk, Chair Delegate Bonnie Cullison, Vice Chair

Health and Government Operations Committee Members

FROM: Maryland Legislative Latino Caucus

DATE: February 18, 2025

RE: HB500 - Procurement Reform Act of 2025

The MLLC supports HB500 - Procurement Reform Act of 2025

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB500.

The Procurement Reform Act of 2025, introduces several updates to Maryland's procurement processes to enhance efficiency, transparency, and inclusivity. The bill grants expanded authority to the Chief Procurement Officer, streamlines procurement methods, and increases monetary thresholds for contract reporting, bid securities, and small business reserves. It prioritizes diversity and equity by transferring oversight of programs supporting small, minority, women-owned, and veteran-owned businesses to the Office of Small, Minority, and Women Business Affairs. The bill also requires diversity plans for large contracts. Additionally, it promotes good labor practices, introduces mandatory internships and apprenticeships for certain contracts, and incorporates pay-for-success contracting for measurable public benefits, particularly in environmental conservation. These reforms aim to modernize state procurement while fostering equitable, sustainable, and inclusive practices.

This act is important to the Latino community as it strengthens opportunities for minority-owned businesses to participate in state procurement. By transferring oversight of programs supporting small and minority-owned businesses to the Office of Small, Minority, and Women Business Affairs, the bill ensures greater accountability and resources for fostering diversity in contracting. The enhanced support for small businesses and the inclusion of workforce diversity requirements can help Latino entrepreneurs access new opportunities, build economic stability, and contribute to community growth. Additionally, the bill's focus on good labor practices and apprenticeship programs can create pathways for Latino workers to gain skills and access higher-quality jobs, further empowering this community to thrive in Maryland's economy.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB500.