

Governor Wes Moore Lt. Governor Aruna Miller

DATE: March 4, 2025

BILL NUMBER: House Bill 826

COMMITTEE: Health and Government Operations

BILL TITLE: State Government – Interdepartmental Advisory Committee on Small, Minority,

and Women Business Affairs - Repeal

GOSBA POSITION: FAVORABLE

Dear Chair Pena-Melnyk and Members of the Committee:

The Governor's Office of Small, Minority & Women Business Affairs (GOSBA) would like to thank the Committee for the opportunity to provide written support for House Bill 826 (HB 826). HB 826 repeals the Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs within GOSBA.

The functions of the Interdepartmental Advisory Committee on Small, Minority, and Women Business Affairs began in 1986, when the Interdepartmental Advisory Committee for Minority Affairs was established within the Governor's Office of Minority Affairs (Chapter 719, Acts of 1986). In June 2017, the Office was renamed the Governor's Office of Small, Minority, & Women Business Affairs (GOSBA), and the Committee was renamed the Interdepartmental Advisory Committee on Small Minority, and Women Business Affairs (Chapter 634, Acts of 2017). Since that time, GOSBA has not received any indication that the legislative body has convened as required in §§ 9-301 and 9-303.1 of the State Government Article referenced in the Maryland Annotated Code.

Due to the lack of activity, GOSBA proposes to repeal the Interdepartmental Advisory Committee on Small, Minority and Women Business Affairs. The goal of this legislative action is to enhance collaboration within the Executive Branches of State Government, in line with § 11-101 of the State Government Article, to improve the efficiency of the state's socioeconomic programs. In its place, a new Governor's Subcabinet on Socioeconomic Procurement Participation was established to provide counsel to the Special Secretary on initiatives to enhance the office's responsibilities and promote the growth and participation of Minority Business Enterprises (MBE), Veteran-Owned Small Business Enterprises (VSBE), and small and minority businesses in the State referenced in Governor Moore's Executive Order - 01.01.2024.38.

GOSBA collaborated with the Maryland Department of Disabilities (MDOD) and concurred with the amendment that would update and modernize State Government Article § 9-301 submitted by the department.

• On page 2, line 7 (current § 9-301(c)(1)(ii), strike "a sheltered workshop for individuals

with disabilities" and substitute with "a nonprofit entity which is incorporated in the State or otherwise qualified to do business in the State, has been determined by the Internal Revenue Service to be exempt from taxation under § 501(c)(3), (4), or (6) of the Internal Revenue Code, and is organized to promote the interests of people with disabilities."

This amended definition would align with the definition of "nonprofit entity" in State Finance and Procurement Article § 14-301(h), relating to minority business participation.

GOSBA believes the Governor's Subcabinet on Socioeconomic Procurement Participation would allow Maryland to continue to be more efficient, equitable, and competitive in the procurement arena.

GOSBA is pleased to offer this Letter of Support for HB 826 and happy to engage in further discussions regarding the bill.

Davon K. Gardner
Director, Policy & Legislative Affairs
Governor's Office of Small, Minority & Women Business Affairs

<u>Davon K. Gardner @ Maryland.gov</u>
667-644-1358