## **SENATE BILL 4**

P2 (7 lr 0 1 2 2)

## ENROLLED BILL

Education, Health, and Environmental Affairs/Health and Government Operations
 Introduced by Chair, Education, Health, and Environmental Affairs Committee (By Request - Departmental - Office of Minority Affairs)

Read and Exa	mined by Proofreaders:
-	Proofreader.
-	Proofreader.
Sealed with the Great Seal and pres	sented to the Governor, for his approval this
day of at	o'clock,M.
	President.
CHA	APTER
AN ACT concerning	
<u> </u>	Program Participation – Requirements and uthorization
certain procurement contracts to sofficer of the unit and to the contract purposes of removal of a minority be a contract; altering the termination Minority Business Enterprise Programma certain study is required to be altering certain findings of the General Contracts.	business enterprises serving as subcontractors on submit certain documentation to the procurement actor; elarifying what constitutes good cause for the rusiness enterprise after commencement of work on a date for certain provisions of law concerning the gram; altering the date by which the final report on a submitted to the Legislative Policy Committee; neral Assembly; making a conforming change; and ness enterprise program participation.
BY repealing and reenacting, with amend	lments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment. *Italics indicate opposite chamber/conference committee amendments*.

1 2 3 4	Article – State Finance and Procurement Section <del>14–302</del> <u>14–301.1</u> , 14–303, and 14–309 Annotated Code of Maryland (2015 Replacement Volume and 2016 Supplement)		
5 6 7 8	BY repealing and reenacting, with amendments, Chapter 154 of the Acts of the General Assembly of 2012, as amended by Chapters 200 and 201 of the Acts of the General Assembly of 2013 Section 2		
9 10	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:		
11	Article - State Finance and Procurement		
12	<del>14-302.</del>		
13 14 15 16	(a) (1) (i) 1. Except for leases of real property, each unit shall structure procurement procedures, consistent with the purposes of this subtitle, to try to achieve an overall percentage goal of the unit's total dollar value of procurement contracts being made directly or indirectly to certified minority business enterprises.		
17 18 19	2. Notwithstanding subsubparagraph 1 of this subparagraph, the following contracts may not be counted as part of a unit's total dollar value of procurement contracts:		
20 21	A. a procurement contract awarded in accordance with Subtitle 1 of this title;		
22 23	B. a procurement contract awarded to a not-for-profit entity in accordance with requirements mandated by State or federal law; and		
24 25 26 27 28	C. a procurement by the Maryland Developmental Disabilities Administration of the Department of Health and Mental Hygiene for family and individual support services, community residential services, resource coordination services, behavioral support services, vocational and day services, and respite services, as those terms are defined in regulations adopted by the Department of Health and Mental Hygiene.		
29 30 31	(ii) 1. The overall percentage goal shall be established on a biennial basis by the Special Secretary of Minority Affairs, in consultation with the Secretary of Transportation and the Attorney General.		
32 33	2. During any year in which there is a delay in establishing the overall goal, the previous year's goal will apply.		
34	(iii) 1. In consultation with the Secretary of Transportation and		

the Attorney General, the Special Secretary of Minority Affairs shall establish guidelines on

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<del>nclude:</del>							
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	<del>3.</del>	<del>other</del>	factors tha	<del>t contribu</del> t	<del>e to consti</del>	<del>tutional go</del>	<del>al setting.</del>
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of this subsection.

1	(i)	consider the practical severability of all contracts and, in 1 of this article, may not bundle contracts;
4	accordance with y 11=20	<del>i or this article, may not bundle contracts,</del>
3	<del>(ii)</del>	implement a program that will enable the unit to evaluate each
4	contract to determine th	ne appropriate minority business enterprise participation goals, if
5	any, for the contract base	
C		1 the retential subsentines amounturities available in the
6	nyima nyaayyamant aanti	1. the potential subcontract opportunities available in the
•	<del>prime procurement conti</del>	<del>-act,</del>
8		2. the availability of certified minority business enterprises to
9	respond competitively to	the potential subcontract opportunities;
10		2 the contract med middlines established under nonemark
10 11	(2) of this subsection;	3. the contract goal guidelines established under paragraph
11	(2) or one subsection,	
12		4. the subgoal guidelines established under paragraph (1)(iii)
13	of this subsection; and	
14		5. other factors that contribute to constitutional goal setting;
1 -	()	manitum and allest data with manual to mains and action
15 16	(iii) compliance with contract	monitor and collect data with respect to prime contractor
10	comphance with contract	<del>goais, and</del>
17	<del>(iv)</del>	institute corrective action when prime contractors do not make
18	good-faith efforts to com	ply with contract goals.
19	(4) Unite	may not use quotas or any project goal-setting process that:
90	(:)	
20 21	<del>(1)</del> <del>jurisdiction's overall nun</del>	solely relies on the State's overall numerical goal, or any other
41	<del>jurisuiction s overan mun</del>	<del>liericai goai, or</del>
22	<del>(ii)</del>	fails to incorporate the analysis outlined in paragraph (3)(ii) of this
23	subsection.	
24	<del>(5)</del> <del>(i)</del>	A woman who is also a member of an ethnic or racial minority
25	group may be certified in	that category in addition to the gender category.
26	<del>(ii)</del>	For purposes of achieving the goals in this subsection, a certified
27	* *	prise may participate in a procurement contract and be counted as a
28		or as a business owned by a member of an ethnic or racial group,
29		less has been certified in both categories.
30		unit shall meet the maximum feasible portion of the State's overall
31	goal established in acco	ordance with this subsection by using race-neutral measures to

facilitate minority business enterprise participation in the procurement process.

$\frac{1}{2}$	(7) If a unit establishes minority business enterprise participation goals for a contract, a contractor, including a contractor that is a certified minority business		
3	enterprise, shall:		
4	(i) identify specific work categories appropriate for subcontracting;		
5	(ii) at least 10 days before bid opening, solicit minority business		
6	enterprises, through written notice that:		
O	enterprises, unrough written house that.		
7	1. describes the categories of work under item (i) of this		
8	paragraph; and		
O	paragraph, and		
9	2. provides information regarding the type of work being		
10	solicited and specific instructions on how to submit a bid;		
	· · · · · · · · · · · · · · · · · · ·		
11	(iii) attempt to make personal contact with the firms in item (ii) of this		
12	<del>paragraph;</del>		
13	(iv) offer to provide reasonable assistance to minority business		
14	enterprises to fulfill bonding requirements or to obtain a waiver of those requirements;		
15	(v) in order to publicize contracting opportunities to minority business		
16	enterprises, attend prebid or preproposal meetings or other meetings scheduled by the unit;		
17	and		
18	(vi) upon acceptance of a bid or proposal, provide the unit with a list of		
19	minority businesses with whom the contractor negotiated, including price quotes from		
20			
21	(8) The Special Secretary of Minority Affairs shall:		
22	(i) in consultation with the Secretary of Transportation and the		
23	Attorney General, establish procedures governing how the participation of minority business		
24	enterprise prime contractors is counted toward contract goals; and		
25	(ii) notwithstanding § 12–101 of this article, adopt regulations setting		
26	forth the procedures established in accordance with this paragraph.		
27	(9) (i) 1. If a contractor, including a certified minority business		
28	enterprise, does not achieve all or a part of the minority business enterprise participation		
29	goals on a contract, the unit shall make a finding of whether the contractor has demonstrated		
30	that the contractor took all necessary and reasonable steps to achieve the goals, including		
31	compliance with paragraph (7) of this subsection.		

1	2. A waiver of any part of the minority business enterprise
2	goals for a contract shall be granted if a contractor provides a reasonable demonstration of
3	good-faith efforts to achieve the goals.
4	(ii) If the unit determines that a waiver should be granted in
5	accordance with subparagraph (i) of this paragraph, the unit may not require the contractor
6	to renegotiate any subcontract in order to achieve a different result.
7	(iii) The head of the unit may waive any of the requirements of this
8	subsection relating to the establishment, use, and waiver of contract goals for a sole source,
9	expedited, or emergency procurement in which the public interest cannot reasonably
10	accommodate use of those requirements.
	•
11	(iv) 1. Except for waivers granted in accordance with
12	subparagraph (iii) of this paragraph, when a waiver determination is made, the unit shall
13	issue the determination in writing.
14	2. The head of the unit shall:
1 5	A lease one come of the recise of the recise of the recessor
15 16	A. keep one copy of the waiver determination and the reasons for the determination; and
10	ior the determination, and
17	B. forward one copy of the waiver determination to the
18	Governor's Office of Minority Affairs.
19	(v) On or before July 31 of each year, each unit shall submit directly
20	to the Board of Public Works and the Governor's Office of Minority Affairs an annual report
21	of waivers requested and waivers granted under this paragraph.
00	
22	(vi) The report required under subparagraph (v) of this paragraph shall contain the following information on those contracts where the unit considered a
<ul><li>23</li><li>24</li></ul>	contractor's request for waiver of all or a portion of the minority business enterprise goals:
<b>4</b> 4	contractors request for warver of all or a portion of the inflority business enterprise goals.
25	1. the contract titles, numbers, and dates;
	i. one contract titles, frameers, and dates,
26	2. the number of waiver requests received;
	•
27	3. the number of waiver requests granted; and
28	4. any other information specifically requested by the Board.
00	(10) (1) 1 (11) 1 1 1 1 1 1 1 1 1 1 1 1 1 1
29	(10) (i) 1. This paragraph applies to a bidder or offeror after
30	submission of a bid or proposal and before the execution of a contract with an expected degree
31	of minority business enterprise participation.
32	2. If the bidder or offeror determines that a minority business

enterprise identified in the minority business enterprise participation schedule has become

or will become unavailable or ineligible to perform the work required under the contract, the bidder or offeror shall notify the unit within 72 hours of making the determination.

- 3 (ii) 1. If a minority business enterprise identified in the minority
  4 business enterprise participation schedule submitted with a bid or offer has become or will
  5 become unavailable or ineligible to perform the work required under the contract, the bidder
  6 or offeror may submit a written request with the unit to amend the minority business
  7 enterprise participation schedule.
- 2. The request to amend the minority business enterprise
  participation schedule shall indicate the bidder's or offeror's efforts to substitute another
  certified minority business enterprise to perform the work that the unavailable or ineligible
  minority business enterprise would have performed.
- 12 (iii) A minority business enterprise participation schedule may not be
- 14 the bidder or offeror provides a satisfactory explanation of the reason for inclusion of the unavailable or incligible firm on the minority business enterprise participation schedule; and
- 17 <u>the amendment is approved by the unit's procurement</u> 18 officer after consulting with the unit's minority business enterprise liaison.
- 19 (11) (i) This paragraph applies after execution of a contract with an 20 expected degree of minority business enterprise participation.
- 21 (ii) The minority business enterprise participation schedule, including 22 any amendment, shall be attached to and made a part of the executed contract.
- 23 (iii) 1. A contractor may not terminate or otherwise cancel the
  24 contract of a certified minority business enterprise subcontractor listed in the minority
  25 business enterprise participation schedule without showing good cause and obtaining the
  26 prior written consent of the minority business enterprise liaison and approval of the head of
  27 the unit.
- 28 **ENTERPRISE TO CEASE WORK ON THE CONTRACT.**FOR PURPOSES OF THIS SECTION, GOOD CAUSE FOR REMOVAL OF A CERTIFIED MINORITY BUSINESS ENTERPRISE AFTER CONTRACT OF A CERTIFIED MINORITY BUSINESS ENTERPRISE OR ELECTION BY THE MINORITY BUSINESS ENTERPRISE OR ELECTION BY THE MINORITY BUSINESS ENTERPRISE TO CEASE WORK ON THE CONTRACT.
- The unit shall send a copy of the written consent obtained under subsubparagraph 1 of this subparagraph to the Governor's Office of Minority Affairs.

	8 SENATE BILL 4
1	(iv) A minority business enterprise participation schedule may not be
2	amended after the date of contract execution unless the request is approved by the head of
3	the unit and the contract is amended.
4	(12) If, during the performance of a contract, a certified minority business
5	enterprise contractor or subcontractor becomes ineligible to participate in the Minority
6	Business Enterprise Program because one or more of its owners has a personal net worth
7	that exceeds the amount specified in § 14–301(k)(3) of this subtitle:
8	(i) that ineligibility alone may not cause the termination of the
9	certified minority business enterprise's contractual relationship for the remainder of the
10	term of the contract; and
11	(ii) the certified minority business enterprise's participation under
12	the contract shall continue to be counted toward the program and contract goals.
13	(13) (i) Except as provided in subparagraph (ii) of this paragraph, a
14	not-for-profit entity participating as a minority business enterprise on a procurement
15	contract awarded by a unit before July 1, 2015, may continue to participate in the contract
16	until the contract expires or otherwise terminates, including all options, renewals, and other
17	extensions.
18	(ii) 1. The not-for-profit entity's participation may not be counted
19	toward achieving the minority business enterprise participation goals in this subsection.
20	2. The unit may not require that a certified minority business
21	enterprise be substituted for the not-for-profit entity in order to meet the minority business
22	enterprise goals for the procurement contract.
23	(b) (1) The provisions of §§ 14-301(f) and 14-303 of this subtitle and subsection
24	(a) of this section are inapplicable to the extent that any unit determines the provisions to
25	be in conflict with any applicable federal program requirement.
26	(2) The determination under this subsection shall be included with the
27	report required under § 14-305 of this subtitle.
28	<u>14–301.1.</u>

The General Assembly finds the following: 29

- 30 the State of Maryland wishes to provide all of its citizens with equal (1) access to business formation and business growth opportunities; 31
- 32 the elimination of discrimination against minority- and women-owned <u>(2)</u> businesses is of paramount importance to the future welfare of the State; 33

- the General Assembly has received and carefully reviewed the disparity study entitled ["The State of Minority— and Women—Owned Business Enterprise: Evidence from Maryland" commissioned by the General Assembly and published on February 17, 2011] "BUSINESS DISPARITIES IN THE MARYLAND MARKET AREA" COMMISSIONED BY THE GENERAL ASSEMBLY AND PUBLISHED ON FEBRUARY 8, 2017 (the Study), and finds that the Study provides a strong basis in evidence demonstrating persistent discrimination against minority— and women—owned businesses;
- 8 (4) <u>based on its review of the Study, the General Assembly finds that:</u>
- 9 (i) there are substantial and statistically significant adverse
  10 disparities [between the availability and utilization of minorities and women] THAT ARE
  11 CONSISTENT WITH DISCRIMINATION AGAINST MINORITIES AND NONMINORITY
  12 WOMEN IN WAGES, FIRM FORMATION, ENTREPRENEURIAL EARNINGS, AND ACCESS TO
  13 CAPITAL in the private sector in the same geographic markets and industry categories in
  14 which the State does business;
- 15 <u>(ii) the State would become a passive participant in private sector</u> 16 <u>racial and gender discrimination if it ceased or curtailed its remedial efforts, including the</u> 17 <u>operation of the Minority Business Enterprise Program;</u>
- 18 (iii) there are substantial and statistically significant adverse
  19 disparities [for all racial and ethnic groups and nonminority women combined in all major
  20 contracting categories in State procurement] THAT ARE CONSISTENT WITH
  21 DISCRIMINATION AGAINST MINORITIES AND NONMINORITY WOMEN IN STATE
  22 PROCUREMENT;
- 23 (iv) there are substantial and statistically significant adverse
  24 disparities [for all individual racial and ethnic groups and for nonminority women in most
  25 major industry categories in State procurement] THAT ARE CONSISTENT WITH
  26 DISCRIMINATION AGAINST ALL INDIVIDUAL MINORITY GROUPS AND FOR
  27 NONMINORITY WOMEN IN MOST MAJOR INDUSTRY CATEGORIES IN STATE
  28 PROCUREMENT;
- 29 (v) there is ample evidence that discrimination in the private sector 30 has depressed firm formation and firm growth among minority and nonminority women 31 entrepreneurs; and
- 32 (vi) there is powerful and persuasive qualitative [and anecdotal]
  33 evidence, BOTH STATISTICAL AND ANECDOTAL, of discrimination against minority and
  34 nonminority women business owners in both the public and private sectors;
- 35 (5) as a result of ongoing discrimination and the present day effects of past discrimination, minority— and women—owned businesses combined continue to be very significantly underutilized relative to their availability to perform work in the [sectors]

- OVERWHELMING MAJORITY OF THE PROCUREMENT CATEGORIES in which the State does business;
- 3 (6) minority prime contractors also are subject to discrimination and confront especially daunting barriers in attempting to compete with very large and long-established nonminority companies;
- 6 (7) despite the fact that the State has employed, and continues to employ,
  7 numerous and robust race—neutral remedies, including aggressive outreach and advertising,
  8 training and education, small business programs, efforts to improve access to capital, and
  9 other efforts, there is a strong basis in evidence that discrimination persists even in public
  10 sector procurement where these efforts have been employed;
- 11 (8) NOTWITHSTANDING THE LEVELS OF PARTICIPATION ACHIEVED
  12 WHEN RACE-CONSCIOUS MEASURES ARE USED, IN THE ABSENCE OF MINORITY
  13 BUSINESS ENTERPRISE PARTICIPATION GOALS FOR STATE PROCUREMENT, THERE
  14 IS A SUBSTANTIAL DECREASE IN THE OVERALL UTILIZATION OF MINORITY- AND
  15 WOMEN-OWNED BUSINESSES;
- 16 <u>[(8)] (9)</u> this subtitle ensures that race—neutral efforts will be used to the 17 maximum extent feasible and that race—conscious measures will be used only where 18 necessary to eliminate discrimination that was not alleviated by race—neutral efforts;
- 19 <u>[(9)] (10)</u> this subtitle continues and enhances efforts to ensure that the 20 State limits the burden on nonminority businesses as much as possible by ensuring that all 21 goals are developed using the best available data and that waivers are available whenever 22 contractors make good faith efforts; [and]
- 23 (11) THIS SUBTITLE ENSURES THAT THE OPERATION OF THE MINORITY
  24 BUSINESS ENTERPRISE PROGRAM IS CONSISTENT WITH THE STUDY DATA AND
  25 NARROWLY TAILORED TO THE COMPELLING INTERESTS OF THE STATE; AND
- 26 <u>[(10)] (12)</u> State efforts to support the development of competitively viable 27 minority— and women—owned business enterprises will assist in reducing discrimination and 28 creating jobs for all citizens of Maryland.
- 29 14-303.
- 30 (a) (1) (i) In accordance with Title 10, Subtitle 1 of the State Government 31 Article, the Board shall adopt regulations consistent with the purposes of this Division II to 32 carry out the requirements of this subtitle.
- 33 (ii) The Board shall keep a record of information regarding any 34 waivers requested in accordance with § 14–302(a)(9)(i) of this subtitle and subsection 35 [(b)(11)] (B)(12) of this section and submit a copy of the record to the General Assembly on

or before October 1 of each year, in accordance with § 2–1246 of the State Government Article.

- 3 (iii) The Board shall keep a record of the aggregate number and the 4 identity of minority business enterprises that receive certification under the process 5 established by the Board under subsection (b)(1) of this section and submit a copy of the 6 record to the General Assembly on or before October 1 of each year, in accordance with § 7 2–1246 of the State Government Article.
- 8 (2) The regulations shall establish procedures to be followed by units, prospective contractors, and successful bidders or offerors to maximize notice to, and the opportunity to participate in the procurement process by, a broad range of minority business enterprises.
  - (b) These regulations shall include:
- 13 (1) provisions:

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- (i) designating one State agency to certify and decertify minority business enterprises for all units through a single process that meets applicable federal requirements, including provisions that promote and facilitate the submission of some or all of the certification application through an electronic process;
- (ii) for the purpose of certification under this subtitle, that promote and facilitate certification of minority business enterprises that have received certification from the U.S. Small Business Administration or a county that uses a certification process substantially similar to the process established in accordance with item (i) of this item;
- (iii) requiring the agency designated to certify minority business enterprises to complete the agency's review of an application for certification and notify the applicant of the agency's decision within 90 days of receipt of a complete application that includes all of the information necessary for the agency to make a decision; and
- (iv) authorizing the agency designated to certify minority business enterprises to extend the notification requirement established under item (iii) of this item once, for no more than an additional 60 days, if the agency provides the applicant with a written notice and explanation;
- 30 (2) a requirement that the solicitation document accompanying each 31 solicitation set forth the expected degree of minority business enterprise participation based, 32 in part, on the factors set forth in § 14–302(a)(3)(ii) of this subtitle;
- 33 (3) a requirement that bidders or offerors complete a document setting forth 34 the percentage of the total dollar amount of the contract that the bidder or offeror agrees will 35 be performed by certified minority business enterprises;

1	(4) A REQUIREMENT THAT WITHIN 10 DAYS AFTER NOTICE FROM THE
2	STATE OF PRIME CONTRACTOR OF THE STATE'S INTENT TO AWARD A CONTRACT,
3	EACH MINORITY BUSINESS ENTERPRISE SERVING AS A SUBCONTRACTOR ON THE
4	CONTRACT COMPLETE A DOCUMENT SETTING FORTH THE PERCENTAGE AND TYPE OF
5	WORK <del>IT WILL PERFORM</del> <u>ASSIGNED TO THE SUBCONTRACTOR</u> UNDER THE CONTRACT
6	AND SUBMIT COPIES OF THE COMPLETED FORM TO BOTH THE PROCUREMENT
7	OFFICER AND THE CONTRACTOR;

- 8 [(4)] (5) a requirement that the solicitation documents completed and 9 submitted by the bidder or offeror in connection with its minority business enterprise participation commitment must be attached to and made a part of the contract;
- [(5)] (6) a requirement that all contracts containing minority business enterprise participation goals shall contain a liquidated damages provision that applies in the event that the contractor fails to comply in good faith with the provisions of this subtitle or the pertinent terms of the applicable contract;
- 15 **[**(6)**] (7)** a requirement that the unit provide a current list of certified minority business enterprises to each prospective contractor;
- 17 **[**(7)**] (8)** provisions to ensure the uniformity of requests for bids on 18 subcontracts;
- 19 **[**(8)**] (9)** provisions relating to the timing of requests for bids on 20 subcontracts and of submission of bids on subcontracts;
- [(9)] (10) provisions designed to ensure that a fiscal disadvantage to the State does not result from an inadequate response by minority business enterprises to a request for bids;
- [(10)] (11) provisions relating to joint ventures, under which a bidder may count toward meeting its minority business enterprise participation goal, the minority business enterprise portion of the joint venture;
- [(11)] (12) consistent with § 14–302(a)(9) of this subtitle, provisions relating to any circumstances under which a unit may waive obligations of the contractor relating to minority business enterprise participation;
- [(12)] (13) provisions requiring a monthly submission to the unit by minority business enterprises acknowledging all payments received in the preceding 30 days under a contract governed by this subtitle;
- [(13)] (14) a requirement that a unit shall verify and maintain data concerning payments received by minority business enterprises, including a requirement that, upon completion of a project, the unit shall compare the total dollar value actually

- received by minority business enterprises with the amount of contract dollars initially awarded, and an explanation of any discrepancies therein;
- [(14)] (15) a requirement that a unit verify that minority business enterprises listed in a successful bid are actually participating to the extent listed in the project for which the bid was submitted;
- [(15)] (16) provisions establishing a graduation program based on the financial viability of the minority business enterprise, using annual gross receipts or other economic indicators as may be determined by the Board;
- 9 [(16)] (17) a requirement that a bid or proposal based on a solicitation with 10 an expected degree of minority business enterprise participation identify the specific 11 commitment of certified minority business enterprises at the time of submission;
- [(17)] (18) provisions promoting and providing for the counting and reporting of certified minority business enterprises as prime contractors;
- [(18)] (19) provisions establishing standards to require a minority business enterprise to perform a commercially useful function on a contract;
- [(19)] (20) a requirement that each unit work with the Governor's Office of Minority Affairs to designate certain procurements as being excluded from the requirements of § 14–302(a) of this subtitle; and
- [(20)] (21) other provisions that the Board considers necessary or appropriate to encourage participation by minority business enterprises and to protect the integrity of the procurement process.
- 22 (c) The regulations adopted under this section shall specify that a unit may not 23 allow a business to participate as if it were a certified minority business enterprise if the 24 business's certification is pending.
- 25 14-309.
- The provisions of §§ 14–301 through 14–305 of this subtitle, and any regulations adopted under those sections, shall be of no effect and may not be enforced after July 1, [2017] 2018 2022.
- 29 Chapter 154 of the Acts of 2012, as amended by Chapters 200 and 201 of the Acts of 2013
- SECTION 2. AND BE IT FURTHER ENACTED, That the Certification Agency, in consultation with the General Assembly and the Office of the Attorney General, shall initiate a study of the Minority Business Enterprise Program to evaluate the Program's continued compliance with the requirements of the Croson decision and any subsequent federal or

Approved:

constitutional requirements. In preparation for the study, the Board of Public Works may 1 2 adopt regulations authorizing a unit of State government to require bidders and offerors to 3 submit information necessary for the conduct of the study. The Board of Public Works may 4 designate that certain information received in accordance with regulations adopted under 5 this section shall be confidential. Notwithstanding that certain information may be designated by the Board of Public Works as confidential, the Certification Agency may 6 7 provide the information to any person that is under contract with the Certification Agency to assist in conducting the study. The study shall also evaluate race—neutral programs and 8 9 other methods that can be used to address the needs of minority businesses. The final report 10 on the study shall be submitted to the Legislative Policy Committee of the General Assembly, in accordance with § 2–1246 of the State Government Article, before September 30, [2016] 11 2017 2021, so that the General Assembly may review the report before the [2017] 2018 12 13 2022 Session.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Governor.
President of the Senate.
Speaker of the House of Delegates.