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September 24, 2021

The Honorable Bill Ferguson  
Co-Chair, Legislative Policy Committee  
The Senate of Maryland  
State House, H-107  
Annapolis MD 21401

The Honorable Adrienne A. Jones  
Co-Chair, Legislative Policy Committee  
The Maryland House of Delegates  
State House, H-101  
Annapolis MD 21401

Dear President Ferguson and Speaker Jones:

The Maryland Department of Transportation (MDOT) is respectfully requesting an extension to the September 30, 2021 deadline to submit the results of the State's Minority Business Enterprise (MBE) Disparity Study (Study). In accordance with Senate Bill 4, Chapter 340, Acts of 2017, MDOT is required to initiate a study evaluating the MBE Program. The final report on this Study is to be submitted to the Legislative Policy Committee of the General Assembly. An extension of the Study's due date will not impact the validity or application of the current Study being utilized by the State's MBE Program.

Due to the complexities of the procurement for a consultant to complete the Study and unforeseen delays in the process, the Study will not be complete by September 30, 2021. The active status of the procurement limits the level of detail that can be shared, but MDOT anticipates awarding a contract in January 2022. Once the contract is in place, the challenging task of collecting prime and subcontractor data will commence. This task encompasses contracting data at approximately 80 State agencies and quasi-agencies. The most recent Disparity Study, published in 2017, involved 16,931 prime contracts and 35,756 associated subcontracts for Fiscal Years 2010-2014, and covered more than 200 different industry groups across a geographic market that included not only Maryland, but also Delaware, Washington-Arlington-Alexandria, and a small part of West Virginia. Expectations are that the Study we are now procuring will be of similar size and scope.

Given the expansiveness of the Study, we estimate that it will take approximately 18-24 months to complete and anticipate being able to deliver the Study by September 2023. Therefore, during the 2022 legislative session, it is the intent of the Department to introduce legislation relating to the Study's extension as well as a concurrent extension of the MBE Program's sunset date. The extension of the Study deadline will allow us to complete all analyses prescribed by Senate Bill 4, Chapter 340, Acts of 2017 and will facilitate our efforts to produce a legally defensible Study.

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Thank you for your consideration of our request. Should you have any questions, please contact Ms. Tracie Watkins-Rhodes, MDOT Office of Small and Minority Business Policy Director, at 410-865-1120. Ms. Watkins-Rhodes will be happy to assist you. Of course, you may always contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Earl Lewis, Jr.", written in a cursive style.

R. Earl Lewis, Jr.  
Deputy Secretary

cc: Members of the Legislative Policy Committee  
Ms. Tracie Watkins-Rhodes, Director, Office of Small and Minority Business Policy,  
MDOT  
Ms. Sarah Albert, Library Associate, Department of Legislative Services, MSAR 9748