AGENCY NAME & ADDRESS Office of the Comptroller, Room 204, City Hall	BALTIMORE
L SUBJECT 21-0070 Required Market Research	MEMO

TO

June 22, 2021

The Honorable President and Members of the City Council City Hall, Room 400

## **Position: Favorable**

The Comptroller's Office is reporting on 21-0070 Required Market Research. The purpose of this bill is to require contracting agencies to conduct market research investigations before determining that no qualified certified business enterprises are available to enter into leases or concession contracts. The legislation would also require the Minority and Women's Business Opportunity Office (MWBOO) to attempt to identify qualified certified business enterprises, if the agency can't find any.

## Background

City Council bill 21-0070 would require City agencies to conduct market research on a contract to understand if there are any Minority Business Enterprises (MBEs) or Women's Business Enterprises (WBEs) available for utilization. Contracting agencies may request a waiver from the MWBOO only after performing the relevant research. In the event there are not any MBEs or WBEs available, MWBOO will submit a waiver to the Board of Estimates (BOE). The BOE can ratify the Office's decision or reinstate the original contract goals (for the bid solicitation) or reinstate the utilization requirement (for contacts).

This bill would involve the BOE in the waiver process where it previously was absent:

- 1. Before a bid is solicited, the BOE would be asked to make a determination on a proposed waiver (§28-61)
- 2. If a contracting agency waives the utilization requirements, the BOE would be asked to make a determination on the proposed waiver (§28-64)

This bill would also make the BOE aware of any qualified certified business enterprises that become available for leases and concessions.

Understandably, CCB 21-0070 would increase the volume of items that come before the BOE. The Comptroller serves on the Board and the Comptroller's office provides the principal staff for BOE operations. The office will be able to absorb this additional workload and does not expect this Bill to impede the City's contracting process. On the contrary, the Comptroller's office expects CCB 21-0070 to make the MBE/WBE waiver process more transparent and streamlined.

## Conclusion

CCB 21-0070 Required Market Research would strengthen Baltimore City's MBE/WBE program by requiring agencies to conduct investigations before asking for MBE/WBE goal waivers.

The Comptroller's Office fully supports 21-0070 Required Market Research.