



### BY THE NUMBERS

The BPW met six times during Q2 2023 and took the following actions:

**592** items approved

**155** new contracts

**437** modifications, renewals, grants, settlements

**\$2.9 billion** state expenditures

**\$615 million** new contracts

**\$2.3 billion** modifications, renewals, grants, settlements

**48** new prime contracts to certified small businesses

**\$98 million** new prime contracts to certified small businesses

*The **Small Business Reserve Program** sets a 15% annual goal for all State procurement expenditures with certified small businesses, including veteran-owned small businesses.*

**24** new prime contracts to MBEs

**\$83 million** new prime contracts to MBEs

**46** new contracts with MBE goals

**19%** average MBE subcontracting goal for new contracts

*The **Minority Business Enterprise Program (MBE)** sets a 29% annual goal for State procurement expenditures with certified MBEs as prime or subcontractors.*

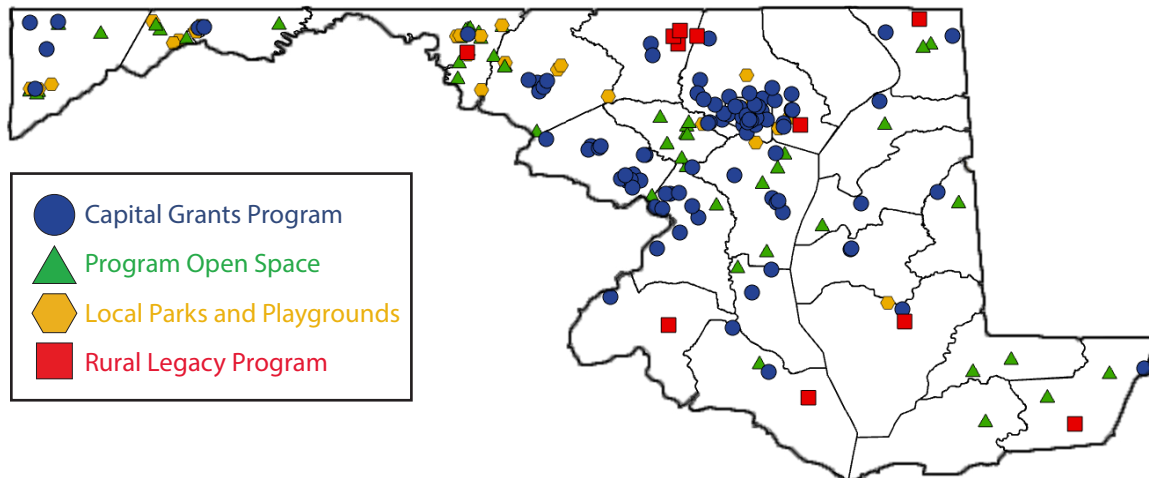
### PLACE-BASED INVESTMENT PROGRAMS

**The Capital Grants Program** provides funding to local governments and nonprofits for community centers, health facilities, museums, parks, affordable housing projects, and more. In Q2 2023, the BPW approved \$93.9 million for 104 projects.

**Program Open Space** preserves natural areas for public use and to protect watersheds and wildlife. This is typically done through land acquisition and conservation easements to expand existing parks and create new parks. In Q2 2023, the BPW approved \$16.5 million for 58 projects.

**Local Parks and Playgrounds Infrastructure Program** restores and creates parks and green space systems. In Q2 2023, the BPW approved \$9.1 million for 34 projects.

**Rural Legacy Program** preserves large, contiguous tracts of land to enhance natural resources, agricultural, forestry and environmental protection. In Q2 2023, the BPW approved \$4.5 million for 11 projects.



**Brooke E. Lierman**  
Comptroller of Maryland

## BPW AT WORK

### Walter Lomax Act

The BPW plays an important role in remedying miscarriages of justice. Under the Walter Lomax Act of 2021, the General Assembly gave the BPW authority to oversee compensation payments to exonerees wrongly convicted of crimes in Maryland. Prior to coming to the BPW, Administrative Law Judges determine eligibility, set compensation amounts (using a formula based on the number of days incarcerated and median household income), and recommend a payment schedule. Payments are primarily made through a settlements and judgements fund within the BPW budget.

The law is named after Walter Lomax who championed system reform and was compensated in 2019 after spending 39 years in prison for a wrongful conviction in a fatal shooting.

Previously, the BPW had discretion over the entire process of providing financial awards to victims of wrongful convictions. However, eligibility was extremely limited to certain exonerees, and award amounts were subjectively determined. The Lomax Act created a more transparent and equitable system for compensation payments.

In its history, the BPW has approved compensation for 25 people, including five wrongfully convicted individuals since the new law went into effect two years ago. In the second quarter of 2023, the BPW approved \$812,247 for David Veney who was wrongfully convicted of rape and burglary and had his sentence vacated after spending eight years in prison. The compensation award was based on 2,853 days in confinement and an annual median income of \$91,431.

## POLICY CORNER

### Minority Business Enterprise Program

Established in 1978, Maryland's Minority Business Enterprise (MBE) Program is the oldest state-level supplier diversity program in the nation. The purpose of the program is to ensure that small, MBEs have a level playing field in State procurement and contracting opportunities. The MBE Program is an important tool for closing the racial and gender wealth gaps by helping to grow MBEs and create jobs for people of color. (Research shows that firms owned by people of color are more likely to hire people of color than white-owned firms.) When combined with federal and local MBE programs, the procurement economy has tremendous potential to drive equitable economic growth in Maryland.

At the core of Maryland's MBE program is a 29 percent participation goal of state procurement dollars going to MBEs as either prime or sub-contractors. To put this target in context, according to recent data, 24 percent of businesses in Maryland are minority owned. Since the 29 percent MBE participation goal was instituted in 2012 (the original goal of the program was 10 percent), the State has yet to reach the target and, as a direct result, MBEs have missed out on billions of dollars in business activity. Last year, actual participation was 17 percent, which totaled \$1.6 billion in contracts awarded to 1,346 MBEs. Had the State achieved the 29 percent goal last year, an additional \$1.1 billion would have been awarded to MBEs.

The three members of the BPW – the Governor, Comptroller, and Treasurer – have communicated

their steadfast commitment to strengthening the State's MBE Program and ensuring the 29 percent participation goal is not just met but exceeded. Earlier this year, the Governor issued an Executive Order to strengthen State agency reporting and compliance with the MBE program. The Governor's Office of Small, Minority and Women Business Affairs is responsible for compiling and publishing MBE Program reports.

Over the years, various policies have been created to strengthen Maryland's MBE Program. For example, agency Procurement Review Groups were established in 2021 and charged with recommending MBE participation goals for contracts based on various factors, including the number of certified MBEs in a particular industry or geographic area. Another example is the Procurement Improvement Council, a 12-member body created by the General Assembly in 2017 that meets quarterly to discuss challenges with State procurement and recommend solutions, including proposed legislation. The Comptroller was added to the Council earlier this year.

The Comptroller's [Transition Report](#) outlined a number of additional policy proposals for strengthening the MBE program, including increased MBE outreach and improved certification procedures, enhanced data collection and tracking, and better training of procurement officers. In order for the MBE Program to achieve its potential in fostering inclusive and equitable economic growth in Maryland, policies such as these must be considered and implemented.