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Vincent J. Mesolella Chairman

Laurie A. Horridge Executive Director

March 1, 2021

The Honorable Anastasia Williams Chairperson House Committee on Labor State House Providence, RI 02903

RE: Narragansett Bay Commission; 2021 House Bill 5717; Oppose

Dear Chairperson Williams and Members of the Committee:

Thank you for taking the time to consider the Narragansett Bay Commission's (NBC) position on 2021 House Bill 5717. While the objectives of the bill are admirable, I am writing to express the NBC's concerns with H5717 which will increase the minimum percent that must be awarded to minority business enterprises (MBEs) for procurement and construction projects from ten percent to twenty-five percent, while also removing woman owned firms from the definition of MBE and requiring that for purposes of the statute the MBE be organized and located in Rhode Island.

Despite best efforts, satisfying the current ten percent requirement set forth in the law is challenging, and often results in delays to projects that are essential and necessary to NBC's functions and operations. Unfortunately, there are a limited number of entities certified as MBEs in Rhode Island. As such, the pool of qualified MBEs is insufficient to meet the overall demands in the state, making it quite difficult for the NBC to achieve the existing ten percent requirement. Increasing the minimum percent that must be awarded to MBEs for procurement and construction projects to twenty-five percent would make it much more challenging and is not an achievable goal. It would undoubtedly cause additional delays to the NBC's procurement processes and ultimately significant delays to the progression of essential projects, a number of which the NBC must complete in accordance with federally mandated timelines. Moreover, in the NBC's estimation, removing woman owned entities from the definition of MBE and requiring that the MBEs be organized and located in Rhode Island, will make adherence to the law virtually impossible.

While the NBC appreciates H5717's attempts to support the fullest possible participation of minority owned businesses, and further applauds the bill sponsor's desire to promote the success of RI based businesses, the challenges H5717 presents will most certainly cause risk and unnecessary delays that cannot be overlooked. To that end, the NBC respectfully opposes House

Bill 5717 and urges the legislature to give due consideration to this bill's unintended consequences.

Thank you for the opportunity to comment.

Sincerely,

Jennifer J. Harrington

Jennifer J. Harrington, Esq. General Counsel and Legislative Liason