



Permanent Commission RACIAL, INDIGENOUS & TRIBAL POPULATIONS

LD 1449 “Resolve, Requiring the Commissioner of Administrative and Financial Services to Conduct a Study of the State’s Grant, Contracting and Procurement Practices”

April 15, 2025

Senator Baldacci, Representative Salisbury, and Honorable Members of the State and Local Government Committee,

My name is Ariel Ricci and I am the Executive Director of the Permanent Commission on the Status of Racial, Indigenous, and Tribal Populations.

The Permanent Commission’s statutory role is to examine racial disparities across all systems and advise Maine State Government on ways to improve the status and outcomes of historically disadvantaged racial, Indigenous, and tribal populations.

We support the overall goals of LD 1449 to improve efficiency, transparency, equity, and accountability in the distribution and management of public funds.

As an independent state agency, we interact with state procurement in several ways:

- We enter into contracts for services and manage grant programs.
- We participate in RFP and RFA evaluation panels for other agencies.
- We receive ongoing feedback from small, racially diverse nonprofits and small businesses about challenges they face in navigating state procurement.

Common concerns we've heard from small nonprofits and small businesses include:

- State contracting processes are confusing, especially for those new to state procurement.
- Opportunities can be hard to find.
- RFPs and RFAs are often time-consuming and difficult to understand due to complex language.
- The time and effort required can be disproportionate to the potential funding, which is often unclear.
- Lack of clear timelines from application to decision complicates planning.
- For grants, the process often mirrors that of contracts, with no practical distinction.
- The requirement to front costs and wait months for reimbursement is a barrier for small entities with limited cash flow.

Based on our experience and feedback we have received from small nonprofits and small businesses, we suggest exploring:

1. Developing a simplified process for grants that is distinct from contracts for goods or services.
2. Allowing partial advance payment for low-risk grants.
3. A streamlined tiered approach process for lower value procurements for services.
4. Developing plain-language guidance for those new to state procurement.

We are happy to assist the working group however we can.