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By: **Delegate Barve**

Introduced and read first time: February 17, 2006

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Procurement - Small Business Reserve Program - Eligibility**

3 FOR the purpose of altering the definition of "small business" for purposes of  
4 determining eligibility in the Small Business Reserve Program by increasing  
5 certain maximum average gross sales requirements; altering the termination  
6 date of the Small Business Reserve Program; and generally relating to the Small  
7 Business Reserve Program.

8 BY repealing and reenacting, with amendments,  
9 Article - State Finance and Procurement  
10 Section 14-501(c)  
11 Annotated Code of Maryland  
12 (2001 Replacement Volume and 2005 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Chapter 75 of the Acts of the General Assembly of 2004  
15 Section 2

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - State Finance and Procurement**

19 14-501.

20 (c) "Small business" means:

21 (1) a certified minority business enterprise, as defined in § 14-301 of  
22 this title, that meets the criteria specified under paragraph (2) of this subsection; or

23 (2) a business, other than a broker, that meets the following criteria:

24 (i) the business is independently owned and operated;

25 (ii) the business is not a subsidiary of another business;

1 (iii) the business is not dominant in its field of operation;

2 (iv) the wholesale operations of the business did not employ more  
3 than 50 persons, and the gross sales of the business did not exceed an average of  
4 [\$2,000,000] \$7,000,000 in its most recently completed 3 fiscal years;

5 (v) the retail operations of the business did not employ more than  
6 25 persons, and the gross sales of the business did not exceed an average of  
7 [\$2,000,000] \$2,500,000 in its most recently completed 3 fiscal years;

8 (vi) the manufacturing operations of the business did not employ  
9 more than 100 persons, and the gross sales of the business did not exceed an average  
10 of [\$2,000,000] \$7,000,000 in its most recently completed 3 fiscal years;

11 (vii) the service operations of the business did not employ more than  
12 100 persons, and the gross sales of the business did not exceed an average of  
13 [\$2,000,000] \$8,000,000 in its most recently completed 3 fiscal years; and

14 (viii) the construction operations of the business did not employ more  
15 than 50 persons, and the gross sales of the business did not exceed an average of  
16 \$7,000,000 in its most recently completed 3 fiscal years.

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#### Chapter 75 of the Acts of 2004

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2004. It shall remain effective for a period of [3 years] 5 YEARS and, at the  
20 end of [September 30, 2007] SEPTEMBER 30, 2009, with no further action required by  
21 the General Assembly, this Act, and any regulations adopted under the provisions of  
22 this Act, shall be abrogated and of no further force and effect.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 October 1, 2006.