

SENATE BILL 489

P2

9lr0951
CF HB 471

By: **Senators Pugh, Currie, Harrington, Madaleno, McFadden, Muse, Peters,
~~and Raskin~~ **Raskin, Exum, Lenett, and Conway****

Introduced and read first time: February 4, 2009

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2009

CHAPTER _____

1 AN ACT concerning

2 **Minority Business Enterprise Certification – Cap on Personal Net Worth**

3 FOR the purpose of ~~altering~~ requiring the amount of the cap on the personal net worth
4 requirement for certification as a minority business enterprise to be adjusted
5 annually in accordance with the Consumer Price Index; requiring the
6 certification agency to evaluate certain data in conjunction with certain
7 committees of the General Assembly and the Office of the Attorney General;
8 requiring the certification agency to make a certain report on or before a certain
9 date; altering a certain term to exclude up to a certain amount of the cash value
10 of certain retirement funds from the calculation of personal net worth; and
11 generally relating to requirements for certification as minority business
12 enterprises.

13 BY repealing and reenacting, with amendments,
14 Article – State Finance and Procurement
15 Section ~~14-301(i)~~ 14-301(g) and (i)
16 Annotated Code of Maryland
17 (2006 Replacement Volume and 2008 Supplement)

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

20 **Article – State Finance and Procurement**

21 14-301.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (g) (1) Subject to paragraphs (2) and (3) of this subsection, “personal net
2 worth” means the net value of the assets of an individual remaining after total
3 liabilities are deducted.

4 (2) “Personal net worth” includes the individual’s share of assets held
5 jointly or as community property with the individual’s spouse.

6 (3) “Personal net worth” does not include:

7 (i) the individual’s ownership interest in the applicant or a
8 certified minority business enterprise; [or]

9 (ii) the individual’s equity in his or her primary place of
10 residence; OR

11 **(III) UP TO \$500,000 OF THE CASH VALUE OF ANY QUALIFIED**
12 **RETIREMENT SAVINGS PLANS OR INDIVIDUAL RETIREMENT ACCOUNTS.**

13 (i) (1) Subject to paragraphs (2) and (3) of this subsection, “socially and
14 economically disadvantaged individual” means a citizen or lawfully admitted
15 permanent resident of the United States who is:

16 (i) in any of the following minority groups:

17 1. African American – an individual having origins in
18 any of the black racial groups of Africa;

19 2. American Indian/Native American – an individual
20 having origins in any of the original peoples of North America and who is a
21 documented member of a North American tribe, band, or otherwise has a special
22 relationship with the United States or a state through treaty, agreement, or some
23 other form of recognition. This includes an individual who claims to be an American
24 Indian/Native American and who is regarded as such by the American Indian/Native
25 American community of which the individual claims to be a part, but does not include
26 an individual of Eskimo or Aleutian origin;

27 3. Asian – an individual having origins in the Far East,
28 Southeast Asia, or the Indian subcontinent, and who is regarded as such by the
29 community of which the person claims to be a part;

30 4. Hispanic – an individual of Mexican, Puerto Rican,
31 Cuban, Central or South American, or other Spanish culture or origin, regardless of
32 race, and who is regarded as such by the community of which the person claims to be a
33 part;

1 5. physically or mentally disabled – an individual who
2 has an impairment that substantially limits one or more major life activity, who is
3 regarded generally by the community as having such a disability, and whose disability
4 has substantially limited his or her ability to engage in competitive business; or

5 6. women – a woman, regardless of race or ethnicity,
6 unless she is also a member of an ethnic or racial minority group and elects that
7 category in lieu of the gender category; or

8 (ii) otherwise found by the certification agency to be a socially
9 and economically disadvantaged individual.

10 (2) There is a rebuttable presumption that an individual who is a
11 member of a minority group under paragraph (1)(i) of this subsection is socially and
12 economically disadvantaged.

13 (3) An individual whose personal net worth exceeds ~~£\$1,500,000~~
14 **\$1,750,000, AS ADJUSTED ANNUALLY FOR INFLATION ACCORDING TO THE**
15 **CONSUMER PRICE INDEX**, may not be found to be economically disadvantaged.

16 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,
17 2010:

18 (a) The certification agency as defined in § 14–301 of the State Finance and
19 Procurement Article, in consultation with the ~~General Assembly~~ Senate Education,
20 Health, and Environmental Affairs Committee, the House Health and Government
21 Operations Committee, and the Office of the Attorney General, shall evaluate State
22 bonding and other financial business data to determine whether the cap on the
23 personal net worth requirement for certification as a minority business enterprise
24 should be further adjusted; and

25 (b) The certification agency shall report its findings to the General Assembly,
26 in accordance with § 2–1246 of the State Government Article.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2009.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.