

CHAPTER 267

(Senate Bill 489)

AN ACT concerning

Minority Business Enterprise Certification – Cap on Personal Net Worth

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

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

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

Article – State Finance and Procurement

14-301.

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

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

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

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

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

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

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

(i) in any of the following minority groups:

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

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

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

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

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

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

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

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

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

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

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

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

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

Approved by the Governor, May 7, 2009.