

HOUSE BILL 268

P2

0lr0329

By: **Delegates Taylor, Ali, Feldman, Kaiser, Manno, Montgomery, Reznik, and Rice**

Introduced and read first time: January 25, 2010

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Minority Business Enterprise Program and Small Business Reserve Program**
3 **– Architectural and Engineering Services**

4 FOR the purpose of requiring the Board of Public Works to adopt certain regulations
5 that require graduation from a certain program by a minority business
6 enterprise that provides architectural and engineering services if the financial
7 viability of the minority business enterprise exceeds a certain amount; altering
8 the definition of small business under the Small Business Reserve Program by
9 increasing the maximum average gross sales requirement for architectural and
10 engineering services; and generally relating to architectural and engineering
11 services under the Minority Business Enterprise Program and the Small
12 Business Reserve Program.

13 BY repealing and reenacting, with amendments,
14 Article – State Finance and Procurement
15 Section 14–303(b)(12) and 14–501(c)
16 Annotated Code of Maryland
17 (2009 Replacement Volume)

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 14–303.

22 (b) These regulations shall include:

23 (12) provisions establishing a graduation program **THAT:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I)** **IS** based on the financial viability of the minority business
2 enterprise, using annual gross receipts or other economic indicators as may be
3 determined by the Board; **AND**

4 **(II)** **REQUIRES GRADUATION BY A MINORITY BUSINESS**
5 **ENTERPRISE THAT PROVIDES ARCHITECTURAL OR ENGINEERING SERVICES IF**
6 **THE FINANCIAL VIABILITY OF THE MINORITY BUSINESS ENTERPRISE EXCEEDS**
7 **\$6,000,000;**

8 14–501.

9 (c) “Small business” means:

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

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

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

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

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

16 (iv) the wholesale operations of the business did not employ
17 more than 50 persons, and the gross sales of the business did not exceed an average of
18 \$4,000,000 in its most recently completed 3 fiscal years;

19 (v) the retail operations of the business did not employ more
20 than 25 persons, and the gross sales of the business did not exceed an average of
21 \$3,000,000 in its most recently completed 3 fiscal years;

22 (vi) the manufacturing operations of the business did not employ
23 more than 100 persons, and the gross sales of the business did not exceed an average
24 of \$2,000,000 in its most recently completed 3 fiscal years;

25 (vii) the service operations of the business did not employ more
26 than 100 persons, and the gross sales of the business did not exceed an average of
27 \$10,000,000 in its most recently completed 3 fiscal years;

28 (viii) the construction operations of the business did not employ
29 more than 50 persons, and the gross sales of the business did not exceed an average of
30 \$7,000,000 in its most recently completed 3 fiscal years; and

31 (ix) the architectural and engineering services of the business
32 did not employ more than 100 persons, and the gross sales of the business did not

1 exceed an average of ~~[\$4,500,000]~~ **\$7,000,000** in its most recently completed 3 fiscal
2 years.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2010.