

**Department of Legislative Services**  
Maryland General Assembly  
2002 Session

**FISCAL NOTE**

House Bill 768 (Prince George's County Delegation and Montgomery County Delegation)

Commerce and Government Matters Education, Health, and Environmental Affairs

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**Washington Suburban Sanitary Commission –  
Minority Business Enterprise Programs  
PG/MC 102-02**

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This bill extends the authority of the Washington Suburban Sanitary Commission (WSSC) to operate its Minority Business Enterprise (MBE) program from July 1, 2002 to June 30, 2005. The bill also continues the requirement that WSSC submit an annual report on the implementation and administration of the program and any recommendations concerning the program to the Montgomery County and Prince George's County delegations to the General Assembly by September 15.

The bill is effective July 1, 2002.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** WSSC expenditures to administer the program would continue at an estimated annual cost of \$224,450. Revenues would not be affected.

**Small Business Effect:** Meaningful.

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**Analysis**

**Current Law:** WSSC has the authority until July 1, 2002 to operate an MBE program to encourage the participation of MBEs as contractors and subcontractors on construction projects.

**Small Business Effect:** The 1997 Economic Census by the U. S. Census Bureau reported that minorities or women owned 31.5% of the firms in Maryland with employees. The 1998 Survey of Business found that firms in Maryland with fewer than 50 employees represented 92.9% of the firms with employees and 30.7% of the employment. Although the number of small MBEs that will participate in the program cannot be reliably estimated, to the extent MBEs are also small businesses, small business will benefit from continuation of the program. For fiscal 2001, WSSC awarded contracts to MBEs worth \$40.4 million, or 34.6% of the total \$116.6 million in contract value awarded.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Washington Suburban Sanitary Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 2002  
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Analysis by: Christine A. Scott

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510