
By: **Senators Garagiola, DeGrange, Dyson, Forehand, Giannetti, Green, Hafer, Jacobs, Jimeno, Klausmeier, Mooney, Pipkin, Stone, and Teitelbaum Teitelbaum, Hollinger, Conway, Britt, Brochin, Colburn, Greenip, Harris, and Kittleman**

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Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments
Senate action: Adopted
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CHAPTER _____

1 AN ACT concerning

2 **Procurement – Disabled Veteran Business Enterprise Participation**
3 **Task Force on Assistance to Disabled Veterans Establishing Small**
4 **Businesses**

5 ~~FOR the purpose of establishing a preference for certain disabled veterans for certain~~
6 ~~procurements; requiring the Department of Veterans Affairs to jointly establish~~
7 ~~certain procurement goals with certain procurement units; requiring certain~~
8 ~~procurement units to determine if certain responsible bidders or offerors have~~
9 ~~acted in good faith to fulfill certain procurement goals; establishing criteria for~~
10 ~~determining if certain responsible bidders and offerors acted in good faith to~~
11 ~~fulfill certain procurement goals; requiring a certain agency to establish certain~~
12 ~~regulations to certify and decertify disabled veteran business enterprises;~~
13 ~~requiring a certain agency to designate a certain advocate to oversee, promote,~~
14 ~~and coordinate disabled veteran business enterprise participation; requiring~~
15 ~~certain procurement units to adopt certain rules and regulations; requiring~~
16 ~~certain procurement units to designate a certain advocate to oversee, promote,~~
17 ~~and coordinate disabled veteran business enterprise participation; requiring~~
18 ~~certain procurement units to make certain reports on or before a certain date;~~
19 ~~requiring the Department of Veterans Affairs to make certain reports on or~~
20 ~~before a certain date; establishing certain prohibited acts and certain penalties~~
21 ~~for certain violations; defining certain terms; and generally relating to the~~
22 ~~procurement participation of disabled veteran business enterprises.~~

23 FOR the purpose of establishing a Task Force on Assistance to Disabled Veterans
24 Establishing Small Businesses; specifying the membership and duties of the

1 Task Force; providing for staffing of the Task Force; requiring the Governor to
 2 appoint a chair of the Task Force; prohibiting members of the Task Force from
 3 receiving compensation for serving on the Task Force; authorizing
 4 reimbursement to members of the Task Force for certain expenses; requiring the
 5 Task Force to submit certain reports to the Governor and to the General
 6 Assembly on or before certain dates; requiring the Department of Veterans
 7 Affairs to provide certain information on procurement to certain veterans;
 8 providing for the termination of certain provisions of this Act; providing for the
 9 effective dates of this Act; and generally relating to the Task Force on Assistance
 10 to Disabled Veterans Establishing Small Businesses.

11 ~~BY adding to~~

12 ~~Article—State Finance and Procurement~~
 13 ~~Section 14-601 through 14-607, inclusive, to be under the new subtitle "Subtitle~~
 14 ~~6. Disabled Veteran Business Enterprise Participation"~~
 15 ~~Annotated Code of Maryland~~
 16 ~~(2001 Replacement Volume and 2004 Supplement)~~

17 ~~BY repealing and reenacting, with amendments,~~

18 ~~Article—State Finance and Procurement~~
 19 ~~Section 16-203(a)~~
 20 ~~Annotated Code of Maryland~~
 21 ~~(2001 Replacement Volume and 2004 Supplement)~~

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

24 ~~**Article—State Finance and Procurement**~~

25 ~~SUBTITLE 6. DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION.~~

26 ~~14-601.~~

27 ~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS~~
 28 ~~INDICATED.~~

29 ~~(B) "AWARDING UNIT" MEANS A UNIT OF STATE GOVERNMENT OR AN~~
 30 ~~OFFICIAL OF THE STATE THAT ENTERS INTO CONTRACTS ON BEHALF OF THE STATE.~~

31 ~~(C) "CERTIFICATION" MEANS THE DETERMINATION THAT A LEGAL ENTITY IS~~
 32 ~~A DISABLED VETERAN BUSINESS ENTERPRISE FOR THE PURPOSES OF THIS~~
 33 ~~SUBTITLE.~~

34 ~~(D) "CERTIFICATION AGENCY" MEANS THE DEPARTMENT OF VETERANS~~
 35 ~~AFFAIRS.~~

36 ~~(E) "CERTIFIED DISABLED VETERAN BUSINESS ENTERPRISE" MEANS A~~
 37 ~~DISABLED VETERAN BUSINESS ENTERPRISE THAT HOLDS A CERTIFICATION.~~

1 (F) "DISABLED VETERAN" MEANS A VETERAN OF THE MILITARY, NAVAL, OR
2 AIR SERVICE OF THE UNITED STATES, INCLUDING THE PHILIPPINE
3 COMMONWEALTH ARMY, THE REGULAR SCOUTS, AND THE SPECIAL PHILIPPINE
4 SCOUTS, WHO HAS AT LEAST A 10% SERVICE CONNECTED DISABILITY AND WHO IS
5 DOMICILED IN THE STATE.

6 (G) (1) "DISABLED VETERAN BUSINESS ENTERPRISE" MEANS A LEGAL
7 ENTITY;

8 (I) THAT IS ORGANIZED TO ENGAGE IN COMMERCIAL
9 TRANSACTIONS INCLUDING THE LEASE OR RENTAL OF EQUIPMENT;

10 (II) THAT IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR
11 MORE INDIVIDUALS WHO ARE DISABLED VETERANS;

12 (III) THAT IS MANAGED BY ONE OR MORE OF THE DISABLED
13 VETERANS WHO OWN IT;

14 (IV) THAT HAS ITS HOME OFFICE OR PRIMARY PLACE OF BUSINESS
15 IN THE STATE;

16 (V) THAT HAS SUBMITTED COPIES OF ITS FEDERAL TAX RETURNS
17 FOR THE PAST 3 YEARS TO THE CERTIFICATION AGENCY AT THE TIME OF
18 CERTIFICATION;

19 (VI) FOR WHICH ONE OR MORE OF THE DISABLED VETERANS WHO
20 OWN IT CONTROL THE DAILY BUSINESS OPERATIONS; AND

21 (VII) FOR WHICH A DISABLED VETERAN ACTUALLY PERFORMS,
22 MANAGES, OR SUPERVISES THE WORK PERFORMED UNDER A CONTRACT.

23 (2) "DISABLED VETERAN BUSINESS ENTERPRISE" INCLUDES:

24 (I) A SOLE PROPRIETORSHIP THAT IS AT LEAST 51% OWNED BY
25 ONE OR MORE DISABLED VETERANS OR A PUBLICLY OWNED BUSINESS IN WHICH 51%
26 OF THE STOCK IS OWNED BY ONE OR MORE DISABLED VETERANS;

27 (II) A SUBSIDIARY WHICH IS WHOLLY OWNED BY A PARENT
28 CORPORATION IN WHICH AT LEAST 51% OF THE VOTING STOCK IS OWNED BY ONE OR
29 MORE DISABLED VETERANS;

30 (III) A JOINT VENTURE IN WHICH AT LEAST 51% OF THE JOINT
31 VENTURE'S MANAGEMENT, CONTROL, AND EARNINGS ARE HELD BY ONE OR MORE
32 DISABLED VETERANS; AND

33 (IV) A LIMITED LIABILITY COMPANY IF IT IS WHOLLY OWNED BY
34 ONE OR MORE DISABLED VETERANS.

1 ~~14-602.~~

2 (A) (1) ~~NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A~~
3 ~~PROCUREMENT CONTRACT SHALL HAVE A STATEWIDE PARTICIPATION GOAL OF NOT~~
4 ~~LESS THAN 3% FOR DISABLED VETERAN BUSINESS ENTERPRISES.~~

5 (2) ~~IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, A~~
6 ~~PARTICIPATION GOAL OF NOT LESS THAN 3% FOR DISABLED VETERAN BUSINESS~~
7 ~~ENTERPRISES SHALL APPLY TO THE OVERALL DOLLAR AMOUNT EXPENDED~~
8 ~~ANNUALLY BY EACH AWARDING UNIT.~~

9 (B) ~~EACH YEAR THE HEAD OF EACH AWARDING UNIT, JOINTLY WITH THE~~
10 ~~DEPARTMENT OF VETERANS AFFAIRS, SHALL ESTABLISH A PARTICIPATION GOAL OF~~
11 ~~NOT LESS THAN 3% FOR DISABLED VETERANS THAT REFLECTS THE POTENTIAL OF~~
12 ~~DISABLED VETERAN BUSINESS ENTERPRISES TO PERFORM CONTRACTS AND~~
13 ~~SUBCONTRACTS AND MAKES EFFORTS TO EXPAND PARTICIPATION BY DISABLED~~
14 ~~VETERAN BUSINESS ENTERPRISES.~~

15 ~~14-603.~~

16 (A) ~~TO ACHIEVE THE RESULT SPECIFIED IN § 14-602 OF THIS SUBTITLE, AN~~
17 ~~AWARDING UNIT SHALL CONSIDER THE EFFORTS OF A RESPONSIBLE BIDDER OR~~
18 ~~RESPONSIBLE OFFEROR TO MEET DISABLED VETERAN BUSINESS ENTERPRISE~~
19 ~~GOALS AND AWARD THE PROCUREMENT CONTRACT TO THE LOWEST RESPONSIBLE~~
20 ~~BIDDER OR RESPONSIBLE OFFEROR MEETING OR MAKING GOOD FAITH EFFORTS TO~~
21 ~~MEET THESE GOALS.~~

22 (B) ~~A BIDDER OR OFFEROR SHALL BE CONSIDERED TO HAVE MADE A GOOD~~
23 ~~FAITH EFFORT TO COMPLY WITH SUBSECTION (A) OF THIS SECTION ON SUBMITTAL,~~
24 ~~WITHIN TIME LIMITS SPECIFIED BY THE AWARDING DEPARTMENT, OF~~
25 ~~DOCUMENTARY EVIDENCE THAT ALL OF THE FOLLOWING ACTIONS WERE TAKEN:~~

26 (1) ~~CONTACT WAS MADE WITH THE AWARDING UNIT TO IDENTIFY~~
27 ~~DISABLED VETERAN BUSINESS ENTERPRISES;~~

28 (2) ~~CONTACT WAS MADE WITH OTHER STATE AND FEDERAL AGENCIES~~
29 ~~AND DISABLED VETERAN BUSINESS ENTERPRISE ORGANIZATIONS TO IDENTIFY~~
30 ~~DISABLED VETERAN BUSINESS ENTERPRISES;~~

31 (3) ~~ADVERTISING WAS PUBLISHED IN TRADE PAPERS AND PAPERS~~
32 ~~FOCUSING ON DISABLED VETERAN BUSINESS ENTERPRISES, UNLESS TIME LIMITS~~
33 ~~IMPOSED BY THE AWARDING UNIT DO NOT PERMIT THAT ADVERTISING;~~

34 (4) ~~NOTICES OF INVITATIONS FOR BIDS OR REQUESTS FOR PROPOSALS~~
35 ~~WERE PROVIDED TO POTENTIAL DISABLED VETERAN BUSINESS ENTERPRISE~~
36 ~~CONTRACTORS; AND~~

37 (5) ~~AVAILABLE DISABLED VETERAN BUSINESS ENTERPRISES WERE~~
38 ~~CONSIDERED.~~

1 ~~14-604.~~

2 (A) ~~THE CERTIFICATION AGENCY SHALL ESTABLISH REGULATIONS TO~~
3 ~~CERTIFY AND DECERTIFY DISABLED VETERAN BUSINESS ENTERPRISES.~~

4 (B) ~~THE CERTIFICATION AGENCY SHALL DESIGNATE AN ADVOCATE TO:~~

5 (1) ~~OVERSEE, PROMOTE, AND COORDINATE EFFORTS TO FACILITATE~~
6 ~~THE IMPLEMENTATION OF THIS SUBTITLE;~~

7 (2) ~~DISSEMINATE INFORMATION ON THIS SUBTITLE;~~

8 (3) ~~COORDINATE REPORTS ACCORDING TO THIS SUBTITLE;~~

9 (4) ~~COORDINATE WITH THE AWARDING UNITS AND EXISTING AND~~
10 ~~POTENTIAL DISABLED VETERAN BUSINESS ENTERPRISES TO ACHIEVE THE GOALS~~
11 ~~OF THIS SUBTITLE; AND~~

12 (5) ~~COORDINATE WITH THE AWARDING UNITS' DISABLED VETERAN~~
13 ~~BUSINESS ENTERPRISE ADVOCATES PROVIDED FOR IN § 14-605(C) OF THIS SUBTITLE.~~

14 ~~14-605.~~

15 (A) ~~EACH AWARDING UNIT SHALL ADOPT REGULATIONS TO:~~

16 (1) ~~CARRY OUT THE REQUIREMENTS OF THIS SUBTITLE; AND~~

17 (2) ~~MONITOR ADHERENCE TO THE GOALS SPECIFIED IN THIS SUBTITLE.~~

18 (B) ~~EACH AWARDING UNIT SHALL UTILIZE EXISTING RESOURCES TO~~
19 ~~IMPLEMENT THIS SUBTITLE, INCLUDING:~~

20 (1) ~~THE DEPARTMENT OF VETERANS AFFAIRS;~~

21 (2) ~~THE FEDERAL DEPARTMENT OF VETERANS AFFAIRS; OR~~

22 (3) ~~ANY OTHER STATE OR FEDERAL AGENCY WITH RESOURCES USEFUL~~
23 ~~FOR THE IMPLEMENTATION OF THIS SUBTITLE.~~

24 (C) ~~EACH AWARDING UNIT SHALL DESIGNATE AN AGENCY DISABLED~~
25 ~~VETERAN BUSINESS ENTERPRISE ADVOCATE TO:~~

26 (1) ~~ASSIST CERTIFIED DISABLED VETERAN BUSINESS ENTERPRISES IN~~
27 ~~PARTICIPATING IN THE UNIT'S PROCUREMENT CONTRACTING PROCESS;~~

28 (2) ~~ASSIST CONTRACT OFFICERS IN SEEKING DISABLED VETERAN~~
29 ~~BUSINESS ENTERPRISES TO PARTICIPATE IN THE UNIT'S PROCUREMENT CONTRACT~~
30 ~~AND OTHER PROCUREMENT ACTIVITIES;~~

31 (3) ~~DISSEMINATE INFORMATION TO THE UNIT'S PROCUREMENT~~
32 ~~CONTRACT AND OTHER PROCUREMENT STAFF;~~

1 (4) SERVE AS AN ADVOCATE FOR THE DISABLED VETERAN BUSINESS
2 ENTERPRISES THAT ARE UTILIZED AS THE UNIT'S CONTRACTORS OR
3 SUBCONTRACTORS;

4 (5) REPORT TO THE OFFICE OF SMALL BUSINESS CERTIFICATION AND
5 RESOURCES REGARDING ANY VIOLATION OF THIS SUBTITLE; AND

6 (6) COORDINATE WITH THE STATE DISABLED VETERAN BUSINESS
7 ADVOCATE AT THE DEPARTMENT OF VETERANS AFFAIRS, AS PROVIDED BY § 14-604(B)
8 OF THIS SUBTITLE, IN AN EFFORT TO MEET THE GOALS OF THIS SUBTITLE.

9 14-606.

10 (A) (1) WITHIN 90 DAYS AFTER THE END OF THE FISCAL YEAR, EACH
11 AWARDING UNIT SHALL REPORT TO THE DEPARTMENT OF VETERANS AFFAIRS.

12 (2) A REPORT UNDER THIS SUBSECTION SHALL FOR THE PRECEDING
13 FISCAL YEAR:

14 (I) STATE THE TOTAL NUMBER AND VALUE OF PROCUREMENT
15 CONTRACTS BETWEEN THE AWARDING UNIT AND CERTIFIED DISABLED VETERAN
16 BUSINESS ENTERPRISES;

17 (II) INDICATE THE PERCENTAGE THAT THOSE PROCUREMENT
18 CONTRACTS REPRESENT OF THE TOTAL NUMBER AND VALUE OF PROCUREMENT
19 CONTRACTS;

20 (III) IF AN AWARDING UNIT HAS NOT MET THE ESTABLISHED GOAL
21 FOR DISABLED VETERAN BUSINESS ENTERPRISES, INDICATE THE REASONS THE
22 AWARDING UNIT HAS NOT ACHIEVED THE GOAL AND IDENTIFY STEPS THE
23 AWARDING UNIT WILL TAKE IN AN EFFORT TO ACHIEVE THE GOAL IN THE NEXT
24 FISCAL YEAR; AND

25 (IV) CONTAIN OTHER SUCH INFORMATION AS REQUIRED BY THE
26 DEPARTMENT OF VETERANS AFFAIRS AND APPROVED BY THE BOARD.

27 (3) A REPORT UNDER THIS SUBSECTION SHALL BE IN A FORM
28 PRESCRIBED BY THE DEPARTMENT OF VETERANS AFFAIRS AND APPROVED BY THE
29 BOARD.

30 (B) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE DEPARTMENT OF
31 VETERANS AFFAIRS SHALL SUBMIT TO THE BOARD OF PUBLIC WORKS AND, SUBJECT
32 TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE LEGISLATIVE POLICY
33 COMMITTEE A REPORT SUMMARIZING THE INFORMATION THE DEPARTMENT
34 RECEIVES UNDER SUBSECTION (A) OF THIS SECTION.

35 14-607.

36 (A) A PERSON MAY NOT:

1 (1) ~~KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY~~
2 ~~OBTAIN, RETAIN, ATTEMPT TO OBTAIN OR RETAIN, OR AID ANOTHER IN~~
3 ~~FRAUDULENTLY OBTAINING OR RETAINING OR ATTEMPTING TO OBTAIN OR RETAIN,~~
4 ~~CERTIFICATION AS A DISABLED VETERAN BUSINESS ENTERPRISE FOR THE PURPOSE~~
5 ~~OF THIS SUBTITLE;~~

6 (2) ~~WILLFULLY AND KNOWINGLY MAKE A FALSE STATEMENT WITH THE~~
7 ~~INTENT TO DEFRAUD, WHETHER BY AFFIDAVIT, REPORT, OR OTHER~~
8 ~~REPRESENTATION, TO A STATE OFFICIAL OR EMPLOYEE FOR THE PURPOSE OF~~
9 ~~INFLUENCING THE CERTIFICATION OR DENIAL OF CERTIFICATION OF ANY ENTITY~~
10 ~~AS A DISABLED VETERAN BUSINESS ENTERPRISE;~~

11 (3) ~~WILLFULLY AND KNOWINGLY OBSTRUCT, IMPEDE, OR ATTEMPT TO~~
12 ~~OBSTRUCT OR IMPEDE, A STATE OFFICIAL OR EMPLOYEE WHO IS INVESTIGATING~~
13 ~~THE QUALIFICATIONS OF A BUSINESS ENTITY THAT HAS REQUESTED~~
14 ~~CERTIFICATION AS A DISABLED VETERAN BUSINESS ENTERPRISE;~~

15 (4) ~~KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY~~
16 ~~OBTAIN, ATTEMPT TO OBTAIN, OR AID ANOTHER PERSON IN FRAUDULENTLY~~
17 ~~OBTAINING OR ATTEMPTING TO OBTAIN, PUBLIC MONEYS, PROCUREMENT~~
18 ~~CONTRACTS, OR FUNDS EXPENDED UNDER A PROCUREMENT CONTRACT TO WHICH~~
19 ~~THE PERSON IS NOT ENTITLED UNDER THIS ARTICLE;~~

20 (5) ~~KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY~~
21 ~~REPRESENT PARTICIPATION OF A DISABLED VETERAN BUSINESS ENTERPRISE IN~~
22 ~~ORDER TO OBTAIN OR RETAIN A BID PREFERENCE OR A PROCUREMENT CONTRACT;~~

23 (6) ~~WILLFULLY AND KNOWINGLY MAKE OR SUBSCRIBE TO ANY~~
24 ~~STATEMENT, DECLARATION, OR OTHER DOCUMENT THAT IS FRAUDULENT OR FALSE~~
25 ~~AS TO ANY MATERIAL MATTER, WHETHER OR NOT THAT FALSITY OR FRAUD IS~~
26 ~~COMMITTED WITH THE KNOWLEDGE OR CONSENT OF THE PERSON AUTHORIZED OR~~
27 ~~REQUIRED TO PRESENT THE DECLARATION, STATEMENT, OR DOCUMENT;~~

28 (7) ~~WILLFULLY AND KNOWINGLY AID, ASSIST IN, PROCURE, COUNSEL,~~
29 ~~OR ADVISE, THE PREPARATION OR PRESENTATION OF A DECLARATION, STATEMENT,~~
30 ~~OR OTHER DOCUMENT THAT IS FRAUDULENT OR FALSE AS TO ANY MATERIAL~~
31 ~~MATTER, REGARDLESS OF WHETHER THAT FALSITY OR FRAUD IS COMMITTED WITH~~
32 ~~THE KNOWLEDGE OR CONSENT OF THE PERSON AUTHORIZED OR REQUIRED TO~~
33 ~~PRESENT THE DECLARATION, STATEMENT, OR DOCUMENT;~~

34 (8) ~~WILLFULLY AND KNOWINGLY FAIL TO FILE ANY DECLARATION OR~~
35 ~~NOTICE WITH THE AWARDING UNIT THAT IS REQUIRED BY THIS SUBTITLE; OR~~

36 (9) ~~ESTABLISH, KNOWINGLY AID IN THE ESTABLISHMENT OF, OR~~
37 ~~EXERCISE CONTROL OVER, A FIRM FOUND TO HAVE VIOLATED A PROVISION OF~~
38 ~~PARAGRAPHS (1) THROUGH (8) OF THIS SUBSECTION.~~

39 (B) (1) ~~A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF SUBSECTION~~
40 ~~(A) OF THIS SECTION SHALL BE GUILTY OF A MISDEMEANOR AND ON CONVICTION IS~~

1 SUBJECT TO A FINE NOT EXCEEDING \$1,000 OR IMPRISONMENT NOT EXCEEDING 6
2 MONTHS OR BOTH.

3 (2) IN ADDITION TO THE PENALTIES UNDER PARAGRAPH (1) OF THIS
4 SUBSECTION, A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF SUBSECTION (A)
5 OF THIS SECTION SHALL BE:

6 (I) FOR THE FIRST OFFENSE, LIABLE FOR A CIVIL PENALTY OF NOT
7 LESS THAN \$10,000 AND NOT EXCEEDING \$30,000; AND

8 (II) FOR A SUBSEQUENT OFFENSE, A CIVIL PENALTY OF NOT LESS
9 THAN \$30,000 AND NOT EXCEEDING \$50,000.

10 (3) A DEFENDANT WHO VIOLATES ANY OF THE PROVISIONS OF
11 SUBSECTION (A) OF THIS SECTION SHALL PAY ALL COSTS AND ATTORNEY'S FEES
12 INCURRED BY THE PLAINTIFF IN A CIVIL ACTION BROUGHT UNDER THIS SUBTITLE.

13 (C) (1) IN ACCORDANCE WITH TITLE 16 OF THIS ARTICLE, A PERSON WHO
14 VIOLATES SUBSECTION (A) OF THIS SECTION SHALL:

15 (I) FOR A FIRST OFFENSE, BE DEBARRED FOR A PERIOD OF NOT
16 LESS THAN 3 YEARS, AND IF CERTIFIED AS A DISABLED VETERAN BUSINESS
17 ENTERPRISE, THE CERTIFICATION AGENCY SHALL REVOKE THE BUSINESS'
18 CERTIFICATION FOR A PERIOD OF NOT LESS THAN 3 YEARS; AND

19 (II) FOR A SUBSEQUENT OFFENSE, BE DEBARRED FOR A PERIOD OF
20 NOT LESS THAN 5 YEARS, AND IF CERTIFIED AS A DISABLED VETERAN BUSINESS
21 ENTERPRISE, THE CERTIFICATION AGENCY SHALL REVOKE THE BUSINESS'
22 CERTIFICATION FOR A PERIOD OF NOT LESS THAN 5 YEARS.

23 (2) A DEBARMENT OR REVOCATION UNDER THIS SUBSECTION SHALL
24 APPLY TO THE PRINCIPALS OF THE BUSINESS AND ANY SUBSEQUENT BUSINESS
25 FORMED OR FINANCED BY, OR AFFILIATED WITH, THOSE PRINCIPALS.

26 (3) THE BOARD SHALL PROHIBIT ANY BUSINESS OR PERSON WHO FAILS
27 TO SATISFY THE PENALTIES, COSTS, AND ATTORNEY'S FEES IMPOSED UNDER
28 SUBSECTION (B) OF THIS SECTION FROM FURTHER CONTRACTING WITH THE STATE
29 UNTIL THE PENALTIES ARE SATISFIED.

30 (D) (1) THE AWARDED UNIT SHALL REPORT ALL ALLEGED VIOLATIONS OF
31 THIS SECTION TO THE BOARD.

32 (2) THE BOARD SHALL SUBSEQUENTLY REPORT ALL ALLEGED
33 VIOLATIONS TO THE ATTORNEY GENERAL WHO SHALL DETERMINE WHETHER TO
34 BRING A CIVIL ACTION AGAINST ANY PERSON OR FIRM FOR VIOLATION OF THIS
35 SECTION.

36 (E) AN AWARDED UNIT MAY NOT:

1 (1) ~~ENTER INTO A PROCUREMENT CONTRACT WITH ANY PERSON~~
 2 ~~DEBARRED FOR VIOLATING THIS SUBTITLE DURING THE PERIOD OF THE PERSON'S~~
 3 ~~DEBARMENT; OR~~

4 (2) ~~AWARD A PROCUREMENT CONTRACT TO ANY CONTRACTOR~~
 5 ~~UTILIZING THE SERVICES OF ANY PERSON AS A SUBCONTRACTOR SUSPENDED FOR~~
 6 ~~VIOLATING THIS SUBTITLE DURING THE PERIOD OF THE PERSON'S SUSPENSION.~~

7 ~~(F) THE AWARDING UNIT SHALL CHECK THE ROSTER OF DEBARRED PERSONS~~
 8 ~~AND BUSINESSES REQUIRED BY § 16-308 OF THIS ARTICLE TO VERIFY THAT THE~~
 9 ~~PERSON OR CONTRACTOR TO WHOM THE PROCUREMENT CONTRACT IS BEING~~
 10 ~~AWARDED, OR ANY PERSON BEING UTILIZED AS A SUBCONTRACTOR OR SUPPLIER BY~~
 11 ~~THAT PERSON OR CONTRACTOR, IS NOT UNDER SUSPENSION FOR VIOLATING THIS~~
 12 ~~SECTION.~~

13 ~~16-203.~~

14 ~~(a) A person may be debarred from entering into a contract with the State if~~
 15 ~~the person, an officer, partner, controlling stockholder or principal of that person, or~~
 16 ~~any other person substantially involved in that person's contracting activities has:~~

17 ~~(1) been convicted under the laws of the State, another state or the~~
 18 ~~United States of:~~

19 ~~(i) a criminal offense incident to obtaining, attempting to obtain, or~~
 20 ~~performing a public or private contract, except as provided in § 16-202; or~~

21 ~~(ii) fraud, embezzlement, theft, forgery, falsification or destruction~~
 22 ~~of records, or receiving stolen property;~~

23 ~~(2) been convicted of a criminal violation of an antitrust statute of the~~
 24 ~~State, another state, or the United States;~~

25 ~~(3) been convicted of a violation of the Racketeer Influenced and Corrupt~~
 26 ~~Organization Act, or the Mail Fraud Act, for acts in connection with the submission of~~
 27 ~~bids or proposals for a public or private contract;~~

28 ~~(4) been convicted of a violation of § 14-308 of this article;~~

29 ~~(5) been convicted of conspiracy to commit any act or omission that~~
 30 ~~would constitute grounds for conviction under any of the laws or statutes described in~~
 31 ~~paragraphs (1), (2), (3), or (4) of this subsection; [or]~~

32 ~~(6) been found civilly liable under an antitrust statute of the State,~~
 33 ~~another state, or the United States for acts or omissions in connection with the~~
 34 ~~submission of bids or proposals for a public or private contract; OR~~

35 (7) ~~BEEN CONVICTED OF A VIOLATION OF § 14-607(A) OF THIS ARTICLE.~~

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That:

3 (a) There is a Task Force on Assistance to Disabled Veterans Establishing
4 Small Businesses.

5 (b) The Task Force consists of the following members:

6 (1) two members of the Maryland General Assembly's Veterans Caucus,
7 appointed as follows:

8 (i) one member of the Senate of Maryland, appointed by the
9 President of the Senate; and

10 (ii) one member of the House of Delegates, appointed by the
11 Speaker of the House;

12 (2) the Secretary of Veterans Affairs, or the Secretary's designee;

13 (3) the Secretary of Disabilities, or the Secretary's designee; and

14 (4) the following members, appointed by the Governor:

15 (i) two representatives of the Maryland Veterans Commission;

16 (ii) one representative of the Department of Business and Economic
17 Development;

18 (iii) one representative of the Minority Business Enterprise
19 Program;

20 (iv) one representative of the American Legion; and

21 (v) four representatives of the general public.

22 (c) The Governor shall appoint the chair of the Task Force.

23 (d) The Board of Public Works shall provide staff for the Task Force.

24 (e) A member of the Task Force:

25 (1) may not receive compensation for serving on the Task Force; but

26 (2) is entitled to reimbursement for expenses under the Standard State
27 Travel Regulations, as provided in the State budget.

28 (f) The Task Force shall:

29 (1) identify the number of disabled State veterans who would benefit
30 from State-awarded contracts for newly established small businesses;

1 (2) identify existing programs, services, laws, and regulations that best
2 address the issue of assisting disabled veterans establishing small businesses; and

3 (3) make recommendations regarding the designation of either the
4 Department of Business and Economic Development or the Department of Veteran
5 Affairs as the State agency to implement an initiative to assist disabled veterans
6 establishing small businesses.

7 (g) The Task Force shall report its findings and recommendations to the
8 Governor and, in accordance with § 2-1246 of the State Government Article, the
9 General Assembly, on or before December 1, 2005.

10 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of
11 Veterans Affairs shall publicize on the State and local level that a disabled veteran
12 may qualify for:

13 (a) the Small Business Preference Program if the disabled veteran's business
14 satisfies the requirements under Title 14, Subtitle 2 of the State Finance and
15 Procurement Article;

16 (b) certification as a minority business enterprise if the disabled veteran:

17 (1) is a physically or mentally disabled individual as defined by §
18 14-301(i)(1)(i)5 of the State Finance and Procurement Article; and

19 (2) satisfies the minority business enterprise requirements under Title
20 14, Subtitle 3 of the State Finance and Procurement Article; or

21 (c) the Small Business Reserve Program if the disabled veteran's business
22 satisfies the requirements under Title 14, Subtitle 5 of the State Finance and
23 Procurement Article.

24 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
25 take effect October 1, 2005.

26 ~~SECTION 2. 4.~~ AND BE IT FURTHER ENACTED, That, except as provided in
27 Section 3 of this Act, this Act shall take effect ~~October~~ July 1, 2005. Section 1 of this
28 Act shall remain effective for a period of 6 months and, at the end of December 31,
29 2005, with no further action required by the General Assembly, Section 1 of this Act
30 shall be abrogated and of no further force and effect.

