

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 606

(Montgomery County Delegation and Prince George's
County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

**Washington Suburban Sanitary Commission - Minority Business Enterprise
Programs - Sunset Extension**
MC/PG 112-05

This bill extends the sunset date on the Minority Business Enterprise (MBE) Program at the Washington Suburban Sanitary Commission (WSSC) from July 1, 2005 to July 1, 2006.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: None.

Local Effect: WSSC expenditures for the MBE program totaling approximately \$589,200 annually will continue in FY 2006. Revenues would not be affected.

Small Business Effect: Meaningful.

Analysis

Current Law: The MBE program at WSSC is currently set to sunset on July 1, 2005.

Background: WSSC is among the 10 largest water and wastewater utilities in the country, providing water and sewer services to 1.6 million residents in Montgomery and Prince George's counties. It has an operating budget of more than \$690 million, 420,000

customer accounts, serves an area of around 1,000 square miles, and currently employs more than 1,500 people. This agency operates four reservoirs, two water filtration plants, and six wastewater treatment plants.

The MBE program is designed to initiate and encourage minority participation in the procurement process. The program established goals for WSSC to meet in selecting its contractors.

Local Fiscal Effect: Program costs in fiscal 2005 are \$589,242, which includes \$536,842 in wages and benefits. The extension of the MBE program would extend these annual costs another year.

Small Business Effect: Meaningful. The extension of the MBE program at WSSC means that the active effort to incorporate minority businesses into the procurement process will continue another year. With additional participation by minority businesses, WSSC may be more inclined to award contracts to minority businesses, having proved that they can handle prime contracts.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery County, Prince George's County, Washington Suburban Sanitary Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2005
mll/hlb Revised - Enrolled Bill - May 5, 2005

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