HOUSE BILL 561

P2

8lr2772
CF SB 301

By: **Delegate Morhaim**
Introduced and read first time: January 31, 2008
Assigned to: Health and Government Operations

A BILL ENTITLED

1   AN ACT concerning

2   **Procurement – Small Business Reserve Program – Eligibility Modifications**

3   FOR the purpose of adding the Maryland Transportation Authority as a designated
4   procurement unit under the Small Business Reserve Program; altering the
5   definition of small business by increasing certain maximum average gross sales
6   requirements and adding a category of services; and generally relating to the
7   Small Business Reserve Program.

8   BY repealing and reenacting, with amendments,
9   Article – State Finance and Procurement
10   Section 14–501
11   Annotated Code of Maryland
12   (2006 Replacement Volume and 2007 Supplement)

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

15   **Article – State Finance and Procurement**

16   14–501.

17   (a)   In this subtitle the following words have the meanings indicated.

18   (b)   "Designated procurement unit" means:

19   (1)   the State Treasurer;

20   (2)   the Department of Budget and Management;

21   (3)   the Department of Business and Economic Development;

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
   [Brackets] indicate matter deleted from existing law.

1   (4)   the Department of the Environment;

2   (5)   the Department of General Services;

3   (6)   the Department of Health and Mental Hygiene;

4   (7)   the Department of Housing and Community Development;

5   (8)   the Department of Human Resources;

6   (9)   the Department of Juvenile Services;

7   (10)   the Department of Labor, Licensing, and Regulation;

8   (11)   the Department of Natural Resources;

9   (12)   the State Department of Education;

10   (13)   the Department of State Police;

11   (14)   the Department of Public Safety and Correctional Services;

12   (15)   the Department of Transportation;

13   (16)   the University System of Maryland;

14   (17)   the Maryland Port Commission;

15   (18)   the State Retirement Agency;

16   (19)   the Maryland Insurance Administration;

17   (20)   the Maryland Stadium Authority;

18   (21)   the State Lottery Agency; **[**and**]**

19   (22)   the Morgan State University**; AND**

20   **(23)   THE MARYLAND TRANSPORTATION AUTHORITY**.

21   (c)   "Small business" means:

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

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

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

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

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

4   (iv)   the wholesale operations of the business did not employ
5 more than 50 persons, and the gross sales of the business did not exceed an average of
6 **[**$2,000,000**]** **$4,000,000** in its most recently completed 3 fiscal years;

7   (v)   the retail operations of the business did not employ more
8 than 25 persons, and the gross sales of the business did not exceed an average of
9 **[**$2,000,000**]** **$3,000,000** in its most recently completed 3 fiscal years;

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

13   (vii)   the service operations of the business did not employ more
14 than 100 persons, and the gross sales of the business did not exceed an average of
15 **[**$2,000,000**]** **$10,000,000** in its most recently completed 3 fiscal years; **[**and**]**

16   (viii)   the construction 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 $7,000,000 in its most recently completed 3 fiscal years**; AND**

19   **(IX)   THE ARCHITECTURAL AND ENGINEERING SERVICES OF**
20 **THE BUSINESS DID NOT EMPLOY MORE THAN 100 PERSONS, AND THE GROSS**
21 **SALES OF THE BUSINESS DID NOT EXCEED AN AVERAGE OF $4,500,000 IN ITS**
22 **MOST RECENTLY COMPLETED 3 FISCAL YEARS**.

23   (d)   "Small business reserve" means those procurements that are limited to
24 responses from small businesses under § 14–502(b) of this subtitle.

25   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2008.