

SENATE BILL 656

P2
SB 648/08 – EHE

9lr2354
CF HB 559

By: **Senators Peters, Astle, Colburn, Conway, Dyson, Garagiola, Munson, and**
~~Rosapepe~~ Rosapepe, Harrington, Harris, Pinsky, Lenett, and Greenip

Introduced and read first time: February 6, 2009

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 2009

CHAPTER _____

1 AN ACT concerning

2 **Procurement – Service Disabled Veteran Business Enterprise Participation**

3 FOR the purpose of establishing a certain participation goal for certain certified
4 service disabled veteran business enterprises for certain procurement contracts;
5 requiring a certain awarding unit to consider certain efforts by and award
6 certain contracts to certain bidders or offerors that meet or make a good-faith
7 effort to meet certain participation goals; establishing certain criteria by which
8 a contractor is considered to have made a good-faith effort to meet certain
9 participation goals; requiring the Maryland Department of Veterans Affairs and
10 the Department of Business and Economic Development jointly to adopt certain
11 regulations; requiring the Department of Veterans Affairs and the Department
12 of Business and Economic Development to designate an advocate to coordinate
13 and oversee certain activities relating to service disabled veteran business
14 enterprises; requiring an awarding unit to adopt certain regulations to meet the
15 requirements of this Act; requiring an awarding unit to designate a service
16 disabled veteran business enterprise advocate to assist the awarding unit in
17 meeting goals related to service disabled veteran business enterprise
18 participation; requiring certain awarding units to make certain reports on or
19 before a certain date; requiring the Department of Veterans Affairs and the
20 Department of Business and Economic Development to make certain reports on
21 or before certain dates; requiring the Department of Business and Economic
22 Development to adopt certain regulations regarding the decertification of
23 certain entities and to oversee and coordinate certain outreach programs and
24 activities; requiring the Department of Business and Economic Development to
25 use certain resources to implement a certain program; establishing certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 prohibited acts and certain penalties for certain violations; defining certain
 2 terms; and generally relating to procurement participation by service disabled
 3 veteran business enterprises.

4 BY adding to

5 Article – State Finance and Procurement
 6 Section 14–601 through 14–607 to be under the new subtitle “Subtitle 6. Service
 7 Disabled Veteran Business Enterprise Participation”
 8 Annotated Code of Maryland
 9 (2006 Replacement Volume and 2008 Supplement)

10 ~~BY repealing and reenacting, with amendments,~~
 11 ~~Article – State Finance and Procurement~~
 12 ~~Section 16–203(a)~~
 13 ~~Annotated Code of Maryland~~
 14 ~~(2006 Replacement Volume and 2008 Supplement)~~

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

17 **Article – State Finance and Procurement**

18 **SUBTITLE 6. SERVICE DISABLED VETERAN BUSINESS ENTERPRISE**
 19 **PARTICIPATION.**

20 **14–601.**

21 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
 22 INDICATED.

23 (B) “AWARDING UNIT” MEANS A UNIT OF STATE GOVERNMENT OR AN
 24 OFFICIAL OF THE STATE THAT ENTERS INTO CONTRACTS ON BEHALF OF THE
 25 STATE.

26 (C) “CERTIFICATION” MEANS THE DETERMINATION THAT A LEGAL
 27 ENTITY IS A SERVICE DISABLED VETERAN BUSINESS ENTERPRISE FOR THE
 28 PURPOSES OF THIS SUBTITLE.

29 (D) “CERTIFIED SERVICE DISABLED VETERAN BUSINESS ENTERPRISE”
 30 MEANS A BUSINESS THAT IS CERTIFIED BY THE UNITED STATES DEPARTMENT
 31 OF VETERANS AFFAIRS AS A SERVICE DISABLED VETERAN–OWNED BUSINESS.

32 (E) “SERVICE DISABLED VETERAN” MEANS AN INDIVIDUAL WHO:

33 (1) IS A VETERAN, AS DEFINED UNDER 38 U.S.C. § 101(2); AND

1 (2) HAS A DISABILITY THAT IS SERVICE-CONNECTED, AS DEFINED
2 UNDER 38 U.S.C. § 101(16).

3 (F) (1) “SERVICE DISABLED VETERAN BUSINESS ENTERPRISE” HAS
4 THE MEANING STATED IN EXECUTIVE ORDER NO. 13360 ISSUED ON OCTOBER
5 21, 2004, BY THE PRESIDENT OF THE UNITED STATES.

6 (2) TO THE EXTENT NOT INCONSISTENT WITH FEDERAL LAW,
7 “SERVICE DISABLED VETERAN BUSINESS ENTERPRISE” INCLUDES:

8 (I) A SOLE PROPRIETORSHIP OWNED BY SERVICE
9 DISABLED VETERANS;

10 (II) A SUBSIDIARY THAT IS WHOLLY OWNED BY A PARENT
11 CORPORATION IN WHICH THE MAJORITY OF EACH CLASS OF ISSUED AND
12 OUTSTANDING STOCK OF THE PARENT COMPANY IS OWNED BY ONE OR MORE
13 SERVICE DISABLED VETERANS;

14 (III) A JOINT VENTURE IN WHICH THE MAJORITY OF THE
15 JOINT VENTURE’S MANAGEMENT, CONTROL, AND PROFITS ARE OWNED BY ONE
16 OR MORE SERVICE DISABLED VETERANS;

17 (IV) A LIMITED LIABILITY COMPANY IN WHICH MAJORITY
18 INTERESTS ARE OWNED BY ONE OR MORE SERVICE DISABLED VETERANS; AND

19 (V) A CORPORATION IN WHICH THE MAJORITY OF EACH
20 CLASS OF ISSUED AND OUTSTANDING STOCK IS OWNED BY ONE OR MORE
21 SERVICE DISABLED VETERANS.

22 **14-602.**

23 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW CREATING
24 SOME OTHER PREFERENCE OR PROGRAM, AN AWARING UNIT SHALL
25 ESTABLISH A PROCUREMENT PARTICIPATION GOAL OF 3% FOR CERTIFIED
26 SERVICE DISABLED VETERAN BUSINESS ENTERPRISES.

27 (B) ON OR BEFORE SEPTEMBER 30, 2013, THE MARYLAND
28 DEPARTMENT OF VETERANS AFFAIRS SHALL:

29 (1) CONDUCT A STUDY OF THE IMPLEMENTATION OF THIS
30 SUBTITLE OVER THE PERIOD COVERING FISCAL YEAR 2010 THROUGH FISCAL
31 YEAR 2013; AND

32 (2) SUBMIT A REPORT OF ITS FINDINGS TO THE GOVERNOR, THE
33 DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, AND, IN

1 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE
2 GENERAL ASSEMBLY.

3 **14-603.**

4 (A) TO ACHIEVE THE PROCUREMENT GOALS SPECIFIED IN § 14-602 OF
5 THIS SUBTITLE, AN AWARDING UNIT SHALL:

6 (1) CONSIDER THE EFFORTS OF A RESPONSIBLE BIDDER OR
7 RESPONSIBLE OFFEROR TO MEET SERVICE DISABLED VETERAN BUSINESS
8 ENTERPRISE GOALS;

9 (2) AWARD THE CONTRACT TO THE LOWEST RESPONSIBLE
10 BIDDER OR RESPONSIBLE OFFEROR THAT MEETS OR MAKES A GOOD-FAITH
11 EFFORT TO MEET THE GOALS; AND

12 (3) AWARD THE CONTRACT TO A PRIME CONTRACTOR THAT IS
13 QUALIFIED UNDER § 14-601 OF THIS SUBTITLE AND THAT FULFILLS THE
14 PROCUREMENT PERCENTAGE REQUIREMENTS UNDER § 14-602 OF THIS
15 SUBTITLE.

16 (B) A BIDDER OR OFFEROR SHALL BE CONSIDERED TO HAVE MADE A
17 GOOD-FAITH EFFORT TO MEET THE GOALS SPECIFIED IN § 14-602 OF THIS
18 SUBTITLE IF THE BIDDER OR OFFEROR SUBMITS DOCUMENTARY EVIDENCE
19 THAT:

20 (1) THE BIDDER OR OFFEROR CONTACTED THE AWARDING UNIT
21 TO IDENTIFY CERTIFIED SERVICE DISABLED VETERAN BUSINESS ENTERPRISES;

22 (2) THE BIDDER OR OFFEROR CONTACTED THE UNITED STATES
23 DEPARTMENT OF VETERANS AFFAIRS OR HAS SEARCHED THE UNITED STATES
24 DEPARTMENT OF VETERANS AFFAIRS DATABASE AT [WWW.VIP.VETBIZ.GOV](http://www.vip.vetbiz.gov) TO
25 IDENTIFY CERTIFIED SERVICE DISABLED VETERAN BUSINESS ENTERPRISES;

26 (3) UNLESS TIME LIMITS IMPOSED BY THE AWARDING UNIT DID
27 NOT MAKE IT FEASIBLE, THE BIDDER OR OFFEROR PUBLISHED AN
28 ADVERTISEMENT IN FEDERAL BUSINESS OPPORTUNITIES (FBO);

29 (4) THE BIDDER OR OFFEROR PROVIDED NOTICE OF AN
30 INVITATION FOR BIDS OR A REQUEST FOR PROPOSALS TO POTENTIAL SERVICE
31 DISABLED VETERAN BUSINESS ENTERPRISE CONTRACTORS; AND

32 (5) THE BIDDER OR OFFEROR CONSIDERED AVAILABLE
33 CERTIFIED SERVICE DISABLED VETERAN BUSINESS ENTERPRISES FOR
34 CONTRACTING.

1 **14-604.**

2 (A) THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT
3 SHALL ADOPT REGULATIONS TO:

4 (1) DECERTIFY SERVICE DISABLED VETERAN BUSINESS
5 ENTERPRISES THAT HAVE BEEN DECERTIFIED BY THE UNITED STATES
6 DEPARTMENT OF VETERANS AFFAIRS OR AS A RESULT OF VIOLATIONS OF ANY
7 PROVISIONS OF THIS SUBTITLE;

8 (2) ESTABLISH A SYSTEM FOR TRACKING SERVICE DISABLED
9 VETERAN BUSINESS ENTERPRISES; AND

10 (3) ESTABLISH EDUCATIONAL PROGRAMS TO ASSIST SERVICE
11 DISABLED VETERAN BUSINESS ENTERPRISES IN BUSINESS DEVELOPMENT AND
12 PARTICIPATION IN STATE PROCUREMENT ACTIVITIES.

13 (B) THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT
14 SHALL DESIGNATE AN ADVOCATE TO:

15 (1) COORDINATE WITH THE MARYLAND DEPARTMENT OF
16 VETERANS AFFAIRS TO CONDUCT OUTREACH AND EDUCATION FOR EXISTING
17 AND POTENTIAL DISABLED VETERAN BUSINESS ENTERPRISES;

18 (2) OVERSEE, PROMOTE, AND COORDINATE EFFORTS TO
19 FACILITATE THE IMPLEMENTATION OF THIS SUBTITLE;

20 (3) DISSEMINATE INFORMATION RELATING TO THIS SUBTITLE;

21 (4) COORDINATE REPORTS REQUIRED UNDER THIS SUBTITLE;

22 (5) COORDINATE WITH AWARDING UNITS AND EXISTING AND
23 POTENTIAL SERVICE DISABLED VETERAN BUSINESS ENTERPRISES TO ACHIEVE
24 THE GOALS OF THIS SUBTITLE; AND

25 (6) COORDINATE THE IMPLEMENTATION OF EDUCATIONAL
26 PROGRAMS ESTABLISHED UNDER THIS SUBTITLE.

27 **14-605.**

28 (A) AN AWARDING UNIT SHALL ADOPT REGULATIONS TO:

29 (1) CARRY OUT THE PROVISIONS OF THIS SUBTITLE; AND

1 (2) **MONITOR ADHERENCE TO THE GOALS SPECIFIED IN THIS**
2 **SUBTITLE.**

3 **(B) AN AWARDING UNIT SHALL DESIGNATE A SERVICE DISABLED**
4 **VETERAN BUSINESS ENTERPRISE ADVOCATE TO:**

5 (1) **ASSIST CERTIFIED SERVICE DISABLED VETERAN BUSINESS**
6 **ENTERPRISES IN PARTICIPATING IN THE AWARDING UNIT'S PROCUREMENT**
7 **ACTIVITIES;**

8 (2) **ASSIST PROCUREMENT OFFICERS IN SEEKING CERTIFIED**
9 **SERVICE DISABLED VETERAN BUSINESS ENTERPRISES TO PARTICIPATE IN THE**
10 **AWARDING UNIT'S PROCUREMENT ACTIVITIES;**

11 (3) **SERVE AS AN ADVOCATE FOR CERTIFIED SERVICE DISABLED**
12 **VETERAN BUSINESS ENTERPRISES THAT PARTICIPATE IN THE AWARDING UNIT'S**
13 **PROCUREMENT ACTIVITIES;**

14 (4) **REPORT TO THE DEPARTMENT OF BUSINESS AND ECONOMIC**
15 **DEVELOPMENT REGARDING A VIOLATION OF THIS SUBTITLE; AND**

16 (5) **COORDINATE WITH THE SERVICE DISABLED VETERAN**
17 **BUSINESS ENTERPRISE ADVOCATE IN THE DEPARTMENT OF BUSINESS AND**
18 **ECONOMIC DEVELOPMENT TO MEET THE GOALS OF THIS SUBTITLE.**

19 **14-606.**

20 (A) **WITHIN 90 DAYS AFTER THE END OF EACH FISCAL YEAR, AN**
21 **AWARDING UNIT SHALL REPORT, FOR THE PRECEDING FISCAL YEAR, THE**
22 **FOLLOWING INFORMATION TO THE DEPARTMENT OF VETERANS AFFAIRS AND**
23 **THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT:**

24 (1) **THE TOTAL NUMBER AND VALUE OF PROCUREMENT**
25 **CONTRACTS BETWEEN THE AWARDING UNIT AND CERTIFIED SERVICE DISABLED**
26 **VETERAN BUSINESS ENTERPRISES;**

27 (2) **THE PERCENTAGE THAT THE CONTRACTS UNDER ITEM (1) OF**
28 **THIS SUBSECTION REPRESENT OF THE TOTAL NUMBER AND VALUE OF THE**
29 **AWARDING UNIT'S PROCUREMENT CONTRACTS FUNDED BY FEDERAL DOLLARS;**

30 (3) **IF THE AWARDING UNIT DID NOT MEET THE GOALS**
31 **ESTABLISHED UNDER THIS SUBTITLE FOR THE PRECEDING FISCAL YEAR:**

32 (1) **THE REASONS THE AWARDING UNIT DID NOT MEET THE**
33 **GOALS; AND**

1 (II) STEPS THE AWARDING UNIT WILL TAKE DURING THE
2 NEXT FISCAL YEAR IN AN EFFORT TO MEET THE GOALS; AND

3 (4) OTHER INFORMATION AS REQUIRED BY THE DEPARTMENT OF
4 VETERANS AFFAIRS OR THE GOVERNOR'S OFFICE OF BUSINESS ADVOCACY
5 AND SMALL BUSINESS ASSISTANCE.

6 (B) ON OR BEFORE 90 DAYS AFTER THE END OF EACH FISCAL YEAR,
7 THE DEPARTMENT OF VETERANS AFFAIRS AND THE DEPARTMENT OF
8 BUSINESS AND ECONOMIC DEVELOPMENT JOINTLY SHALL SUBMIT TO THE
9 BOARD OF PUBLIC WORKS AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE
10 GOVERNMENT ARTICLE, THE LEGISLATIVE POLICY COMMITTEE, A REPORT
11 SUMMARIZING THE INFORMATION RECEIVED UNDER SUBSECTION (A) OF THIS
12 SECTION FOR THE PRECEDING FISCAL YEAR.

13 14-607.

14 (A) A PERSON MAY NOT:

15 (1) KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY
16 OBTAIN, RETAIN, ATTEMPT TO OBTAIN OR RETAIN, OR AID ANOTHER IN
17 FRAUDULENTLY OBTAINING OR RETAINING OR ATTEMPTING TO OBTAIN OR
18 RETAIN, CERTIFICATION AS A SERVICE DISABLED VETERAN BUSINESS
19 ENTERPRISE FOR THE PURPOSE OF PARTICIPATING IN STATE PROCUREMENT
20 ACTIVITIES UNDER THIS SUBTITLE;

21 (2) WILLFULLY AND KNOWINGLY MAKE A FALSE STATEMENT
22 WITH THE INTENT TO DEFRAUD, WHETHER BY AFFIDAVIT, REPORT, OR OTHER
23 REPRESENTATION, TO A STATE OFFICIAL OR EMPLOYEE FOR THE PURPOSE OF
24 INFLUENCING THE CERTIFICATION OR DENIAL OF CERTIFICATION OF ANY
25 ENTITY AS A SERVICE DISABLED VETERAN BUSINESS ENTERPRISE;

26 (3) WILLFULLY AND KNOWINGLY OBSTRUCT, IMPEDE, OR
27 ATTEMPT TO OBSTRUCT OR IMPEDE, A STATE OFFICIAL OR EMPLOYEE WHO IS
28 INVESTIGATING THE QUALIFICATIONS OF A BUSINESS ENTITY THAT HAS
29 REQUESTED CERTIFICATION AS A SERVICE DISABLED VETERAN BUSINESS
30 ENTERPRISE;

31 (4) KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY
32 OBTAIN, ATTEMPT TO OBTAIN, OR AID ANOTHER PERSON IN FRAUDULENTLY
33 OBTAINING OR ATTEMPTING TO OBTAIN, PUBLIC MONEY, PROCUREMENT
34 CONTRACTS, OR FUNDS EXPENDED UNDER A PROCUREMENT CONTRACT TO
35 WHICH THE PERSON IS NOT ENTITLED UNDER THIS ARTICLE;

1 (5) **KNOWINGLY AND WITH INTENT TO DEFRAUD, FRAUDULENTLY**
2 **REPRESENT PARTICIPATION OF A SERVICE DISABLED VETERAN BUSINESS**
3 **ENTERPRISE IN ORDER TO OBTAIN OR RETAIN A BID PREFERENCE OR A**
4 **PROCUREMENT CONTRACT;**

5 (6) **WILLFULLY AND KNOWINGLY MAKE OR SUBSCRIBE TO ANY**
6 **STATEMENT, DECLARATION, OR OTHER DOCUMENT THAT IS FRAUDULENT OR**
7 **FALSE AS TO ANY MATERIAL MATTER, WHETHER OR NOT THAT FALSITY OR**
8 **FRAUD IS COMMITTED WITH THE KNOWLEDGE OR CONSENT OF THE PERSON**
9 **AUTHORIZED OR REQUIRED TO PRESENT THE DECLARATION, STATEMENT, OR**
10 **DOCUMENT;**

11 (7) **WILLFULLY AND KNOWINGLY AID, ASSIST IN, PROCURE,**
12 **COUNSEL, OR ADVISE THE PREPARATION OR PRESENTATION OF A**
13 **DECLARATION, STATEMENT, OR OTHER DOCUMENT THAT IS FRAUDULENT OR**
14 **FALSE AS TO ANY MATERIAL MATTER, REGARDLESS OF WHETHER THAT FALSITY**
15 **OR FRAUD IS COMMITTED WITH THE KNOWLEDGE OR CONSENT OF THE PERSON**
16 **AUTHORIZED OR REQUIRED TO PRESENT THE DECLARATION, STATEMENT, OR**
17 **DOCUMENT;**

18 (8) **WILLFULLY AND KNOWINGLY FAIL TO FILE ANY DECLARATION**
19 **OR NOTICE WITH THE AWARDING UNIT THAT IS REQUIRED BY THIS SUBTITLE;**
20 **OR**

21 (9) **ESTABLISH, KNOWINGLY AID IN THE ESTABLISHMENT OF, OR**
22 **EXERCISE CONTROL OVER A BUSINESS FOUND TO HAVE VIOLATED A PROVISION**
23 **OF ITEMS (1) THROUGH (8) OF THIS SUBSECTION.**

24 **(B) (1) A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF**
25 **SUBSECTION (A) OF THIS SECTION SHALL BE GUILTY OF A MISDEMEANOR AND**
26 **ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000 OR**
27 **IMPRISONMENT NOT EXCEEDING 6 MONTHS OR BOTH.**

28 **(2) IN ADDITION TO THE PENALTIES UNDER PARAGRAPH (1) OF**
29 **THIS SUBSECTION, A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF**
30 **SUBSECTION (A) OF THIS SECTION SHALL BE:**

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

33 **(II) FOR A SUBSEQUENT OFFENSE, LIABLE FOR A CIVIL**
34 **PENALTY OF NOT LESS THAN \$30,000 AND NOT EXCEEDING \$50,000.**

35 **(3) A PERSON WHO VIOLATES ANY OF THE PROVISIONS OF**
36 **SUBSECTION (A) OF THIS SECTION SHALL PAY ALL COSTS AND ATTORNEY'S FEES**

1 INCURRED BY THE PLAINTIFF IN A CIVIL ACTION BROUGHT UNDER THIS
2 SUBTITLE.

3 (C) (1) ~~IN ACCORDANCE WITH TITLE 16 OF THIS ARTICLE, A~~ A
4 PERSON WHO IS CONVICTED OF A VIOLATION OF SUBSECTION (A) OF THIS
5 SECTION SHALL:

6 (I) FOR A FIRST OFFENSE, ~~BE DEBARRED FOR A PERIOD OF~~
7 ~~NOT LESS THAN 3 YEARS AND,~~ IF CERTIFIED AS A SERVICE DISABLED VETERAN
8 BUSINESS ENTERPRISE, BE STRIPPED OF THE CERTIFICATION FOR A PERIOD OF
9 NOT LESS THAN 3 YEARS; AND

10 (II) FOR A SUBSEQUENT OFFENSE, ~~BE DEBARRED FOR A~~
11 ~~PERIOD OF NOT LESS THAN 5 YEARS AND,~~ IF CERTIFIED AS A SERVICE DISABLED
12 VETERAN BUSINESS ENTERPRISE, BE STRIPPED OF THE CERTIFICATION FOR A
13 PERIOD OF NOT LESS THAN 5 YEARS.

14 (2) A ~~DEBARMENT OR~~ REVOCATION OF CERTIFICATION UNDER
15 THIS SUBSECTION SHALL APPLY TO THE PRINCIPALS OF THE BUSINESS AND ANY
16 SUBSEQUENT BUSINESSES FORMED OR FINANCED BY, OR AFFILIATED WITH,
17 THOSE PRINCIPALS.

18 (3) THE BOARD SHALL PROHIBIT A BUSINESS OR PERSON WHO
19 FAILS TO SATISFY THE PENALTIES, COSTS, AND ATTORNEY'S FEES IMPOSED
20 UNDER SUBSECTION (B) OF THIS SECTION FROM FURTHER CONTRACTING WITH
21 THE STATE UNTIL THE PENALTIES ARE SATISFIED.

22 (D) (1) THE AWARDING UNIT SHALL REPORT ALL ALLEGED
23 VIOLATIONS OF THIS SECTION TO THE BOARD.

24 (2) THE BOARD SUBSEQUENTLY SHALL REPORT ALL ALLEGED
25 VIOLATIONS OF THIS SECTION TO THE OFFICE OF THE ATTORNEY GENERAL,
26 WHICH SHALL DETERMINE WHETHER TO BRING A CIVIL ACTION AGAINST A
27 PERSON OR BUSINESS FOR A VIOLATION OF THIS SECTION.

28 ~~16-203.~~

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

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

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

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

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

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

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

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

14 (6) ~~been found civilly liable under an antitrust statute of the State,~~
15 ~~another state, or the United States for acts or omissions in connection with the~~
16 ~~submission of bids or proposals for a public or private contract; [or]~~

17 (7) ~~been found in a final adjudicated decision to have violated the~~
18 ~~Commercial Nondiscrimination Policy under Title 19 of this article with regard to a~~
19 ~~public or private contract; OR~~

20 (8) ~~BEEN CONVICTED OF A VIOLATION OF § 14-607(A) OF THIS~~
21 ~~ARTICLE.~~

22 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of
23 Business and Economic Development shall use existing resources to implement the
24 Service Disabled Veteran Business Enterprise Participation goals established under
25 Title 14, Subtitle 6 of the State Finance and Procurement Article, as enacted by
26 Section 1 of this Act.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2009.