

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 1016 (Montgomery County Delegation and Prince George's
County Delegation)

Health and Government Operations

Maryland-National Capital Park and Planning Commission - Prince George's
County - Certified County-Based Business Participation Program
MC/PG 113-15

This bill requires the Maryland-National Capital Park and Planning Commission (M-NCPPC), in consultation with the governing body of Prince George's County, to establish a certified county-based business participation program to facilitate the participation of county-based businesses in the commission's procurement for goods, services, and construction in Prince George's County.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None. The bill applies only to M-NCPPC, which is not a State agency.

Local Effect: M-NCPPC can implement the bill's provisions with existing resources. To the extent that the program limits competition for some commission procurements by favoring businesses located in Prince George's County, procurement costs for the commission may increase, as restricting procurement competition has been shown to increase contract costs. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Meaningful.

Analysis

Bill Summary: The commission may use incentives and bonuses to achieve the program's goals, including:

- mandatory set-aside procedures;
- mandatory subcontracting procedures with reasonable waiver procedures;
- the application of bonus points;
- restrictive bidding;
- restrictive price quotations;
- the reduction or waiver of bonding requirements; and
- incentives to encourage maximum participation by certified county-based small businesses and a variety of different certified county-based businesses.

M-NCPPC must adopt regulations in consultation with the governing body of Prince George's County that meet specified criteria related to the participation of certified county-based small businesses and other certified county-based businesses. The commission must report annually on the program's results to the Prince George's County delegations in both the Senate and the House of Delegates, the Prince George's County Council, and the Prince George's County Executive. A preliminary report is due by December 1, 2015.

Current Law/Background: M-NCPPC is a bi-county agency serving Montgomery and Prince George's counties that was empowered by the State in 1927 to acquire and administer a regional system of parks within the Maryland-Washington Metropolitan District and administer a general plan for the physical development of the area. In 1970, M-NCPPC became responsible for managing the Prince George's County public recreation program.

Under the Prince George's County Jobs First Act, the county began certifying businesses in January 2013 that meet specified criteria for maintaining a business in the county. The program establishes separate bonus factors or preferences for county-based small businesses and minority business enterprises (MBEs), county-based businesses, and other MBEs. The county-based business log maintained by the county's Office of Central Services includes about 150 certified county-based businesses.

Small Business Effect: Small businesses in Prince George's county that are certified benefit from procurement preferences in competing for commission contracts in the county. Conversely, small businesses in other parts of the State that normally compete for commission contracts are disadvantaged.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland-National Capital Park and Planning Commission,
Prince George's County, Department of Legislative Services

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min/ljm

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