10-24 Bill No. Concerning: Contracts and Procurement-Local Small Business Reserve Program (LSBRP) - Veteran-Owned **Business Preference Points** Revised: July 15, 2024 Draft No. Introduced: April 16, 2024 Enacted: \_\_\_ July 30, 2024 Executive: \_\_\_ August 8, 2024 November 7, 2024 Effective: Sunset Date: None Ch. 13 , Laws of Mont. Co. 2024

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the request of the County Executive Co-sponsors: Councilmembers Fani-González and Katz

## AN ACT to:

- (1) implement Veteran-Owned Business Preference Points under the Local Small Business Reserve Program;
- (2) outline the eligibility criteria for the Veteran-Owned Business Preference Points under the Local Small Business Reserve Program; and
- (3) generally amend the law regarding contracts and procurement.

## By amending

Montgomery County Code Chapter 11B, Contracts and Procurement Section 11B-65

## By adding

Montgomery County Code Chapter 11B, Contracts and Procurement Section 11B-66A

Boldface Heading or defined term.

<u>Underlining</u>
[Single boldface brackets]
Added to existing law by original bill.

Deleted from existing law by original bill.

Double underlining Added by amendment.

[[Double boldface brackets]] Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec. 1. Section 11B-65 is amended as follows:		
2	Sec. 11B-65. Definitions.		
3	In this Article the following words have the meanings indicated.		
4	<u>Director</u> is the <u>Director</u> of <u>Procurement.</u>		
5	Direct purchase means an informal solicitation defined by regulation under		
6	Section 11B-13.		
7	Local Small Business means a for-profit business or non-profit entity, other		
8	than a broker, that:		
9	(1) has its principal place of business or non-profit operations in the		
10	County;		
11	(2) in the case of a for-profit business, is independently owned and		
12	operated;		
13	(3) is not a subsidiary of another business or entity; and		
14	(4) meets criteria, size limits, and gross sales amounts established by		
15	method 2 regulations.		
16	Local Small Business Reserve means any procurement that is limited to		
17	responses from local small businesses.		
18	<u>Veteran-Owned Local Small Business</u> means a Local Small Business that is		
19	at least 51 percent owned by one or more individuals who:		
20	(a) are verified as having served on active duty in the armed force		
21	of the United States, other than for training[[.]] and were		
22	discharged or released under conditions other than		
23	dishonorable; and		
24	(b) control the management and daily operations of the business.		
25	Sec. 11B-66. Local Small Business Reserve Program.		
26	* * *		
2.7	Sec. 2. Section 11B-66A is added as follows:		

28	<u>Sec.</u> 11B-6	<u> 66A. Local Small Business Reserve Program – Veteran-Owned</u>		
29 <u>Preference Points.</u>				
30	<u>(a)</u>	Established. There is established a Veteran-Owned Local Small		
31		Business preference points program for County procurements.		
32	<u>(b)</u>	Eligibility. To be eligible for Veteran-Owned Local Small Business		
33		preference points, a business must affirm and provide supporting		
34		documentation to the Director to show that it is a Veteran-Owned		
35		Local Small Business as defined in Section 11B-65. The Director may		
36		investigate and verify the information provided on the application, as		
37		necessary.		
38	<u>(c)</u>	<u>Certification</u> . <u>Veteran-Owned Local Small Business preference points</u>		
39		must only be applied to a Local Small Business that has a valid		
40		<u>Veteran-Owned Small Business (VOSB) or Service-Disabled</u>		
41		<u>Veteran-Owned Small Businesses (SDVOSB)</u> certificate from the		
42		<u>U.S. Small Business Administration or the U.S. Department of</u>		
43		<u>Veterans</u> <u>Affairs' Center for Verification and Evaluation.</u>		
44	<u>(d)</u>	Application of Preference Points to competitive sealed proposals. For any		
45		Request for proposals issued under Section 11B-10 that has been		
46		designated for a Local Small Business Reserve, the Director must include		
47		an evaluation factor awarding additional points for a proposal from a		
48		<u>Veteran-Owned Local Small Business worth five percent of the total</u>		
49		available points.		
50	<u>(e)</u>	Waiver. The Director may waive a bid or proposal preference under this		
51		Section in a solicitation if the Director finds that a preference would result		
52		in the loss to the County of Federal or State funds.		

Approved:	
1 spares spares	July 30, 2024
Andrew Friedson, President, County Council	Date
Approved:	
Mare El	August 8, 2024
Marc Elrich, County Executive	Date
This is a correct copy of Council action.	
Saux	August 8, 2024
Sara R. Tenenbaum, Clerk of the Council	Date