Bill No. 10-24
Concerning: Contracts and Procurement-
Local Small Business Reserve
<u> Program (LSBRP) – Veteran-Owned</u>
Business Preference Points
Revised: <u>July 15, 2024</u> Draft No. <u>3</u>
Introduced: <u>April 16, 2024</u>
Enacted:
Executive:
Effective:
Sunset Date: <u>None</u>
Ch, Laws of Mont. Co

# 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
<u>Underlining</u>
[Single boldface brackets]
Double underlining
[[Double boldface brackets]]

Heading or defined term. Added to existing law by original bill. Deleted from existing law by original bill. Added by amendment. 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	Director is the Director of Procurement.
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</u> <u>Local</u> <u>Small</u> <u>Business</u> means a Local <u>Small</u> <u>Business</u> 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 forces
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	* * *
27	Sec. 2. Section 11B-66A is added as follows:
	- 2 -

# 28 <u>Sec. 11B-66A. Local Small Business Reserve Program – Veteran-Owned</u> 29 Preference Points.

- 30(a)Established.There is established a Veteran-Owned Local Small31Business preference points program for County procurements.
- (b) *Eligibility.* To be eligible for Veteran-Owned Local Small Business
  preference points, a business must affirm and provide supporting
  documentation to the Director to show that it is a Veteran-Owned
  Local Small Business as defined in Section 11B-65. The Director may
  investigate and verify the information provided on the application, as
  necessary.
- (c) Certification. Veteran-Owned Local Small Business preference points
  must only be applied to a Local Small Business that has a valid
  Veteran-Owned Small Business (VOSB) or Service-Disabled
  Veteran-Owned Small Businesses (SDVOSB) certificate from the
  U.S. Small Business Administration or the U.S. Department of
  Veterans Affairs' Center for Verification and Evaluation.
- 44(d)Application of Preference Points to competitive sealed proposals. For any45Request for proposals issued under Section 11B-10 that has been46designated for a Local Small Business Reserve, the Director must include47an evaluation factor awarding additional points for a proposal from a48Veteran-Owned Local Small Business worth five percent of the total49available points.
- 50(e)Waiver. The Director may waive a bid or proposal preference under this51Section in a solicitation if the Director finds that a preference would result52in the loss to the County of Federal or State funds.

Approved: 2000

Andrew Friedson, President, County Council *Approved:* 

Marc Elrich, County Executive This is a correct copy of Council action.

Sara R. Tenenbaum, Clerk of the Council

July 30, 2024

Date

Date

Date