



April 3, 2026

Policy Analysis and Fiscal Impact Statement

TO: Committee of the Whole (COW)

THRU: Lavinia Baxter *LB*
Senior Budget and Policy Analyst

FROM: Roger G. Banegas *RGB*
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-028-2026 Local Diverse Supplier Prime Contractor Program

CB-028-2026 (*proposed and sponsored by: Council Member Oriadha*)

Assigned to the Committee of the Whole (COW)

AN ACT CONCERNING LOCAL DIVERSE SUPPLIER PRIME CONTRACTOR PROGRAM for the purpose of establishing a Local Diverse Supplier Prime Contractor Program to increase opportunities for local diverse suppliers in public procurement prime contracting; requiring certain reporting to the County Council; providing for exemptions and public notice of solicitations for procurements; and generally relating to the Local Diverse Supplier Prime Contractor Program.

Fiscal Summary

Direct Impact

Expenditures: Some expenditures are anticipated.

Revenue: None likely.

Indirect Impact

Potentially Favorable.

Legislative Summary:

CB-028-2026¹, proposed and sponsored by Council Member Oriadha, was presented on March, 24, 2026, and referred to the Committee of the Whole (COW). This bill would create a Local Diverse Supplier Prime Contractor Program, under which the Purchasing Agent would reserve a percentage of the aggregate value of procurements awarded each year solely for bids, proposals, and awards for prime bidders, prime proposers, and prime contractors that are either locally-owned and operated businesses or County-based minority business enterprises. The bill would provide for certain exemptions and public notice of reserved solicitations for procurements, and would require annual reporting to the County Council.

Current Law/Background:

In Section 10A-108² of the Prince George's County Code, current County law lists a number of supplies and services that are exempt from Divisions 2, 6, and 7 of Subtitle 10A. These Divisions govern the award of contracts, special provisions, and economic development. Most notably, the current law exempts the County from having to go through the typical competitive solicitation process to acquire any of these supplies or services.

Section 10A-136³ mandates structured procurement procedures, establishes certification and roster rules, ensures outreach and training, and serves as the registry base for certification and potential decertification with the aim of advancing MBE participation in County contracting.

Section 10A-161⁴, "County-based business participation requirements," generally requires fifty percent (50%) certified County-based small business, County-based minority business enterprise, and/or Locally-owned and Operated Business participation on procurements greater than \$1,000,000 in total value for which competitive bids or proposals are secured.

The County-based certification requirements in Section 10A-163⁵ outline the process for County-based businesses to be certified as such and specify the two-year period for which the certification status remains active. CB-026-2026⁶, if enacted, would change the certification status from two to a three-year period.

¹ [CB-028-2026](#)

² [Prince George's County Code Section 10A-108](#)

³ [Prince George's County Code Section 10A-136](#)

⁴ [Prince George's County Code Section 10A-161](#)

⁵ [Prince George's County Code Section 10A-163](#)

⁶ [CB-026-2026](#)

Section 10A-173⁷ creates business preferences that the County should adjust for when reviewing competitive bids or competitive proposals. Under current law, the Purchasing Agent must apply a bid discount to the bid price or add the following percentage points to the total evaluated score of the proposal:

- 15% for County-based minority business enterprises
- 12% for County-based small businesses
- 10% for County-based business
- 5% for Minority Business Enterprises or Disadvantaged Business Enterprises
- 3% for County-located businesses

Other Jurisdictions

Montgomery County operates the Minority, Female, and Disabled-Owned Businesses (MFD) Program⁸, which assists certified firms in securing prime and subcontractor opportunities. It also runs the Local Small Business Reserve Program (LSBRP)⁹, which earmarks 25% of certain procurement dollars for local small businesses, and a Local Business Preference Program (LBPP)¹⁰, which provides a 10% preference point bonus to local firms on proposals.

Howard County implements the Equal Business Opportunity (EBO) Program¹¹, which sets a goal of 20% of the total contract dollar amount to be awarded to certified Minority, Woman-owned and Disabled-owned Business Enterprises (MBE/WBE/DBE). The EBO program also includes a 15% subcontracting goal for contracts valued at \$50,000 or more.

Baltimore County features a Minority and Women-Owned Business Enterprise (MWBE) Program¹² aimed at increasing participation in county contracts, with a target of 23% of discretionary spending, rising to 30% by the end of FY 2026.

Discussion/Policy Analysis

If enacted, the proposed Bill would amend the Prince George's County Code Subtitle 10A. *Purchasing*. Division 7. *Economic Development* to add additional language to Sections 10A-161.

The proposed Bill adds §10A-161(1) to create the Local Diverse Supplier Prime Contractor Program, which states the following:

- (1) The Purchasing Agent shall reserve at least 20% of the aggregate value of procurements awarded each fiscal year by all units of the County Government, including at least 20% of all construction-related procurements awarded, solely for bids, proposals, and awards for prime bidders, prime proposers, and prime contractors that are

⁷ [Prince George's County Code Section 10A-173](#)

⁸ [Montgomery County, MD - Minority, Female, and Disabled-Owned Businesses \(MFD\) Program](#)

⁹ [Montgomery County, MD - Local Small Business Reserve Program \(LSBRP\)](#)

¹⁰ [Montgomery County, MD - Local Business Preference Program \(LBPP\)](#)

¹¹ [Howard County, MD - Equal Business Opportunity](#)

¹² [Baltimore County, MD - Minority and Women's Business Enterprise Program](#)

- (A) Locally Owned and Operated Businesses or
- (B) County-Based Minority Business Enterprises.

(2) Reporting, Exemptions, and Public Notice.

- (A) Reporting. By August 1st of each year, the Purchasing Agent shall transmit in writing to the Clerk of the County Council for distribution to County Council Members:
 - (i) a list of procurements selected to be subject to the requirements of this Subsection during the fiscal year; and
 - (ii) a summary and analysis of the outcome of the awarded procurements reserved in accordance with this Subsection for the previous fiscal year.
- (B) Exemption. If the Purchasing Agent determines that a procurement listed in accordance with Subparagraph (A), above, is no longer suitable for reservation in the Local Diverse Supplier Prime Contractor Program accordance with this Subsection, the procurement can be removed from reservation upon adoption of an approving County Council resolution, provided that the Purchasing Agent receives approval in the same Council resolution of one or more additional procurements that replace the procurement value of the exempted procurement, which shall be included in the reserved procurements for that fiscal year in accordance with this Subsection.
- (C) Public notice. Any solicitations for procurements reserved for the Local Diverse Supplier Prime Contractor Program in accordance with this Subsection shall be made publicly available without cost or subscription on a website maintained by the Office of Procurement at the time of solicitation of bids or proposals.

Fiscal Impact

- *Direct Impact*

Adoption of CB-028-2026 will have an adverse fiscal impact because the agency will need to make multiple changes to its procurement process. The agency mentions no staffing changes required.

- *Indirect Impact*

CB-028-2026 is not expected to have any indirect fiscal impacts for the County. However, the enactment of CB-028-2026 may have an indirect fiscal impact on the County, as it may increase the number of prime bidders, prime proposers, and prime contractors that are either locally owned and operated businesses or County-based minority business enterprises.

- *Appropriated in the Current Fiscal Year Budget*

N/A.

Policy Implementation, Resource/Project Timeline:

Possible Draft Initiatives

Milestone 1 – Internal Agency Policy changes

- a. Procedure changes
- b. Certification verification
- c. Solicitation template
- d. Evaluation

Milestone 2 – Vendor outreach

Milestone 3 – Staff training

Milestone 4 – System updates

The Office of Procurement states that due to the Bill becoming effective 45 days after its enactment, “these changes cannot be completed within the timeframe without additional resources.”

Disclaimer - Relative timeline based on County Agency input at a point in time.

Effective Date of Proposed Legislation:

The Act shall take effect forty-five (45) calendar days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please email me.