





April 7, 2026

Policy Analysis and Fiscal Impact Statement

TO: Committee of the Whole (COW)

THRU: Lavinia Baxter 
Senior Budget and Policy Analyst

FROM: Roger G. Banegas 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-026-2026 Locally-owned and Operated Business Assistance

CB-026-2026 (*Proposed and Presented by*): Council Member Oriadha

Assigned to the Committee of the Whole (COW)

AN ACT CONCERNING THE LOCALLY-OWNED AND OPERATED BUSINESS ASSISTANCE for the purpose of establishing a locally-owned and operated business certification, streamlining certifications for diverse local businesses, clarifying procurement bonus points and preferences, and generally relating to certification requirements and standards for diverse local businesses.

Fiscal Summary

Direct Impact:

Expenditures: Some anticipated expenditures.

Revenues: No anticipated revenues.

Indirect Impact:

Potentially mixed.

Legislative Summary:

CB-026-2026¹, proposed and sponsored by Member Oriadha, was introduced on March 24, 2026, and referred to the Committee of the Whole (COW) Committee. This bill would allow certain federally certified businesses whose principal address, principal place of operation, or domicile is within Prince George's County to use that status to meet County-based business certification requirements of the County-based Small Business Assistance program, and extend the validity term of the certification from two (2) to three (3) years. It would also create less cumbersome requirements for certification as a Locally-owned and Operated Business, and rename the County resident-owned business preference to be the Locally-owned and Operated Business preference.

Current Law/Background:

In Subtitle 10A *Purchasing*² of the Prince George's County Code outlines the County's current procurement practices. It elucidates the County's methodology for competitive bidding, selection of contracts, certain contract preferences, and the applicable definitions. Section 10A-105³ defines emergency and special circumstance procurements. Section 10A-115⁴ prescribes the County's current simplified procurement practices relating to small purchases. Simplified procurement process contracts are to be reserved for County-based small businesses (as defined by Section 10A-163⁵); all exemptions are articulated under Subsection D, parts 1 and 2.

CB-100-2025⁶ amended provisions of Subtitle 10A regarding administrative procedures, contract awards, prohibited types of contracts, economic development, and procurements subject to Subtitle 10A. Specifically, small purchases between \$5,000 and the purchase threshold of \$250,000 shall require at least three (3) written or electronic quotes from responsible vendors, when practicable.

Other Jurisdictions

The Local Small Business Reserve Program (LSBRP) in Montgomery County, MD, mandated by County Code §11B-66⁷, requires departments to reserve a minimum of 25% of their eligible, non-exempt procurement actions for registered local, small businesses. The program aims to foster local economic growth by restricting specific solicitations to certified small businesses. The business must have its principal place of business in Montgomery County, defined as follows:

- The business has its physical business location(s) only in Montgomery County; or
- The business has physical business locations both in and outside of the County, but the County-based location(s) accounts for over 50% of the business's total number of employees, or over 50% of the business's gross sales.

¹ [CB-026-2026](#)

² [Subtitle 10A of the Prince George's County Code](#)

³ [Section 10A-105 of the Prince George's County Code](#)

⁴ [Section 10A-115 of the Prince George's County Code](#)

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

⁶ [CB-100-2025](#)

⁷ [Section 11B-66 of the Montgomery County, Maryland Code](#)

The Howard County Economic Development Authority (HCEDA)⁸ offers the Catalyst Fund (supported by VLT funds) and the Leveraging Investment for Future Transformation (LIFT) fund, providing microloans for small and minority-owned businesses.

Resource Personnel:

- Josh Hamlin, Legislative Attorney
 - Tre’von Sawyers, Chief of Staff for the Office of Council Chair Oriadha (D7)
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Discussion/Policy Analysis:

CB-026-2026 amends the general procurement practices of the County, making technical and substantive changes to a variety of Code sections. The changes are as follows:

Section 10A-101

- Replaced and added the definition for “Locally-owned and Operated Business” as a business that is certified in accordance with Section 10A-163(m).
 - Section 10A-163(m) will state that “A business shall be certified by the Supplier Development and Diversity Division or the Office of Procurement as a Locally-owned and Operated Business if the business
 - (1) satisfies the requirements prescribed in this Section to be a County-based business;
 - (2) submits documentation verifying that the business (or majority business in a joint venture) has majority ownership (defined herein as "owning more than 50% of the ownership interest of the entity") by one or more residents domiciled in Prince George's County; and
 - (3)) A certified Locally-owned and Operated Business is automatically certified as a County-based business.”

Section 10A-163

- Moves Subsection (g) to Subsection (h).
- Adds Subsection 10A-163(a)(7) to state “In accordance with the Code of Federal Regulations, is a certified Disadvantaged Business Enterprise (DBE), Small Disadvantaged Business (SDB), 8(a) certified business or HUBZone-certified business whose principal address, principal place of operation, or domicile is within Prince George's County, Maryland.
- Section 10A-163(c) changes the validity of the Certification period from two years to **three**.

⁸ [Howard County Economic Development Authority](#)

- Subsection (h)(1) and (h)2 removes language that requires a business that is certified as a minority business enterprise (MBE) to provide a copy of a federal tax return. The removed language is as follows:
 - “..., provided that, the business provides the Supplier Development and Diversity Division a copy of a federal tax return filed with the Internal Revenue Service establishing that the business has continuously operated within the County within the preceding twelve (12) months.”
- Adds “the methods included in...” to subsection (j) when addressing what the Purchasing Agent may use to expedite the process for any certification renewal related to MBEs.
- Adds Subsection (m) as stated above.

Section 10A-163.01

- Restates that all diverse supplier certifications shall be valid for a three-year period.
- Adds “Locally-owned and Operated Business” to the list that the Purchasing Agent may grant certification to.

Section 10A-173

- Subsection (b) replaces “County resident-owned business preference” with “Locally-owned and Operated Business preference”.

The legislative intent of this bill is to assist the County's Locally-owned and Operated Businesses, and to streamline the internal procurement process to expedite the delivery of critical goods and services.

Fiscal Impact:

- *Direct Impact*

Adoption of CB-026-2026 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*

Adoption of CB-026-2026 *may* result in an increase in County goods and services being procured from Locally-owned and Operated Businesses. A simplification of the small purchase procurement process may result in an increase in expenditures through small purchasing agreements due to ease of execution. Conversely, current economic conditions may result in no net change in expenditures or even a reduction in expenditures on County procurement contracts.

- *Appropriated in the Current Fiscal Year Budget*

N/A

Policy Implementation, Resource/Project Timeline:

The Office of Procurement stated that “Implementation of the bill would require updates to procurement procedures and systems.” These are as follows:

Draft Initiatives

Milestone 1 – System updates to:

- Certification forms
- Vendor registration systems
- Ariba / SPEED records
- Solicitation templates
- Evaluation scoring procedures
- Reporting dashboards

Milestone 2 – Training procurement staff

Milestone 3 – Training vendors

The Office of Procurement states that additional resources are needed to implement this Bill. The resources are as follows:

- Implementation funding
- Additional staff
- System support

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

Effective Date:

The proposed Bill shall be effective forty-five (45) calendar days after it becomes law.

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