

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2007 Winter  
Supp.

West Group  
Publisher

To amend, on a temporary basis, the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005 to add the definition “certified business enterprise” and clarify that the dollar volume subcontracting requirement may include purchases from small business enterprises that provide materials, goods, and supplies.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Department of Small and Local Business Development Subcontracting Clarification Temporary Amendment Act of 2006”.

Sec. 2. The Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*), is amended as follows:

(a) Section 2302 is amended by adding a new paragraph (1A) to read as follows:  
“(1A) “Certified business enterprise” means a business enterprise or joint venture certified by the Small and Local Business Opportunity Commission pursuant to part D.”.

Note,  
§ 2-218.02

(b) Section 2313(c)(1)(A) is amended to read as follows:  
“(A) Reviewing applications for certification as a local business enterprise, small business enterprise, disadvantaged business enterprise, resident-owned business, longtime resident business, or local business enterprise with its principal office located in an enterprise zone;”.

Note,  
§ 2-218.13

(c) Section 2331(a)(2A) is amended to read:  
“(2A) Meets 1 of the 4 following standards:”.

Note,  
§ 2-218.31

(d) Section 2346(a) is amended to read as follows:  
“(a)(1) All construction contracts in excess of \$250,000 shall include the following requirements:

Note,  
§ 2-218.46

“(A) At least 35% of the dollar volume shall be subcontracted to small business enterprises; provided, that the costs of materials, goods and supplies shall not be counted towards the 35% subcontracting requirement unless such materials, goods and supplies are purchased from small business enterprises; or

“(B) If there are insufficient qualified small business enterprises to completely fulfill the requirement of subparagraph (A) of this paragraph, then the subcontracting requirement may be satisfied by subcontracting 35% of the dollar volume to any certified business enterprises; provided, that all reasonable efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.

“(2) All non-construction contracts in which a portion of the work is subcontracted shall include the following requirements:

“(A) At least 35% of the dollar volume shall be subcontracted to small business enterprises; provided, that the costs of materials, goods and supplies shall not be counted towards the 35% subcontracting requirement unless such materials, goods and supplies are purchased from small business enterprises; or

“(B) If there are insufficient qualified small business enterprises to completely fulfill the requirement of subparagraph (A) of this paragraph, then the subcontracting requirement may be satisfied by subcontracting 35% of the dollar volume to any certified business enterprises; provided, that all reasonable efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.”.

(e) Section 2350(b)(1) is amended to read as follows:

“(b)(1)(A) A government corporation shall take all measures as shall be reasonably necessary to assure that all contracts entered into by the government corporation, or any agency or subsidiary of the government corporation, with respect to each major phase of the development and construction of a project undertaken by the government corporation, including contracts for professional services, architectural, engineering, and other construction related services and construction trade work, shall provide that at least 35% of the work on the project shall be awarded to small business enterprises; provided, that the costs of materials, goods and supplies shall not be counted towards the 35% subcontracting requirement unless such materials, goods and supplies are purchased from small business enterprises.

Note,  
§ 2-218.50

“(B) If there are insufficient qualified small business enterprises to fulfill the small business enterprise contracting requirement, then the subcontracting requirement may be satisfied by subcontracting 35% of the dollar volume of the project to any certified business enterprises; provided, that all reasonable efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.”.

(f) Section 2354 is amended as follows:

Note,  
§ 2-218.54

(1) The existing language is designated as subsection (a).

(2) Paragraph (2) of the newly designated subsection (a) is amended as follows:

(A) Subparagraph (C) is amended by striking the word “and” at the end.

(B) Subparagraph (D) is amended by striking the period at the end and inserting the phrase “; and” in its place.

(C) A new subparagraph (E) is added to read as follows:

“(E) The actual dollar amount expended with each business enterprise.”.

(3) New subsections (b) and (c) are added to read as follows:

“(b) Within 45 days of its receipt of the annual reports required by section 2350(g), the Department shall submit to the Council and the Commission a report containing the following information with respect to each government corporation for the current and prior fiscal years:

“(1) The expendable budget of the government corporation;

“(2) The government corporation's achievement with respect to the requirements of section 2350; and

“(3) A list of each contract or procurement of the government corporation, which shall include the following:

“(A) A description of the contract or procurement;

“(B) The dollar amount of the contract or procurement;

“(C) The name of the business enterprise from which the goods or services were contracted or procured;

“(D) Whether the business enterprise was a certified local, small, or disadvantaged business enterprise, and, if it was:

“(i) The category or categories under which the business enterprise is certified; and

“(ii) The identification number of the business enterprise assigned by the Department;

“(E) The source of funding for the contract (local, federal, other, or capital); and

“(F) The actual dollar amount expended with each business enterprise.

“(c)(1) Beginning with the first full quarter after the effective date of the Fiscal Year 2007 Budget Support Emergency Act of 2006, D.C. Act 16-477 [August 8, 2006], the Department shall submit to the Council, within 60 days of the end of the quarter, a copy of the quarterly reports of each agency required by section 2353(a) and a copy of the quarterly reports of each government corporation required by section 2350(f).

“(2) Beginning with the first full quarter after August 8, 2006, the Department shall submit to the Council the following:

“(A) A summary of the information that each agency is required to submit pursuant to section 2353 and the information that each government corporation is required to submit pursuant to section 2350(f), in a format that shows the cumulative progress of each agency's or government corporation's annual local, small, and disadvantaged business enterprise contracting and procurement goals to date and the actual dollar amount expended with each business enterprise for the current fiscal year; and

“(B) A list of all agencies or government corporations that have not submitted a report for that quarter and a detailed explanation of what actions were taken by the Department to effectuate compliance with the reporting requirement.” .

**ENROLLED ORIGINAL**

Sec. 3. The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. (a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

---

Chairman  
Council of the District of Columbia

---

Mayor  
District of Columbia