

**CITY OF BALTIMORE
COUNCIL BILL 25-0068
(First Reader)**

Introduced by: Councilmember Torrence

Cosponsored by: President Cohen and Councilmembers Conway, Middleton, Gray, Bullock,
Blanchard, Ramos, Parker, Schleifer, Porter, and Glover

Introduced and read first time: May 12, 2025

Assigned to: Housing and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Mayor's Office
of Neighborhood Safety and Engagement

A BILL ENTITLED

1 A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning

2 **Study and Report – Disparity Study – Returning Citizen-Owned**
3 **and Employing Businesses**

4 FOR the purpose of requiring the Department of Finance to conduct a disparity study to determine
5 whether a disparity exists between the number of available businesses that are owned by
6 returning citizens, or whose employees are comprised of 50% or more returning citizens,
7 providing goods or services in specified business categories and the number who are
8 contracting with the City as a prime contractor or subcontractor.

9 **Recitals**

10 A returning citizen is an individual who was formally charged with a crime, convicted of a
11 crime, or participated in a diversion program where the individual received rehabilitative
12 instruction and support in lieu of a criminal conviction.

13 According to the National League of Cities, an estimated 600,000 citizens per year return to
14 the community. The unemployment rate is 27.3% for returning citizens who were formerly
15 incarcerated, versus 5.8% in the general population. Returning citizens often experience unique
16 barriers to employment and long term job security, including lack of formal education, stigma,
17 and employers that use criminal background checks as a screening tool for trustworthiness.

18 According to the Wharton School of Business at the University of Pennsylvania,
19 entrepreneurship often leads returning citizens to higher incomes than traditional employment, as
20 well as lower rates of recidivism, even when compared with their peers who pursue traditional
21 employment. Previously incarcerated individuals are 5% more likely to start their own business,
22 compared with the general public. Entrepreneurship creates a pathway to stable income while
23 also assisting returning citizens with avoiding discrimination and inequality in the traditional
24 labor market.

25 Given the unique opportunities that entrepreneurship creates for returning citizens, the City of
26 Baltimore has an opportunity to support the City's community of returning citizens by improving
27 its procurement practices and including equitable consideration of returning citizen-owned and
28 employing business enterprises (RCOEBE).

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

Council Bill 25-0068

SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That:

- (a) No later than 2 years after enactment of this Resolution, the Department of Finance shall complete a study to determine whether a disparity exists between the number of available businesses that are owned by returning citizens, or whose employees are comprised of 50% or more returning citizens, providing goods or services in specified business categories and the number who are contracting with the City as a prime contractor or subcontractor.
- (b) No later than 180 days after the conclusion of the study, the Department of Finance shall publish a report on the study's findings.
- (c) The report shall include:
 - (1) a review of existing procurement policies and procedures and their impact on the City's utilization of RCOEBE;
 - (2) an analysis of how current business opportunity programs interact with or promote RCOEBE;
 - (3) a market area and utilization analysis to create benchmarks to identify any disparate treatment of RCOEBE and a disparity analysis based on the data collected;
 - (4) a private sector analysis to identify any disparate treatment of RCOEBE utilization in among private businesses;
 - (5) a qualitative analysis of the conditions and obstacles RCOEBE face in the market area and their experiences contracting with the City and the private sector; and
 - (6) a summary of the study's overall findings and any recommendations for improving the City's utilization of RCOEBE.
- (d) The City Council shall call a hearing where the Director of Finance shall present the findings and recommendations of the report.

SECTION 2. AND BE IT FURTHER RESOLVED, That this Resolution takes effect on the 30th day after the date it is enacted.