

CITY OF BALTIMORE
ORDINANCE _____
Council Bill 19-0452

Introduced by: Councilmembers Henry, Dorsey, Cohen, Clarke, Burnett
Introduced and read first time: October 7, 2019
Assigned to: Labor Committee

Committee Report: Favorable with amendments
Council action: Adopted
Read second time: August 17, 2020

AN ORDINANCE CONCERNING

Employee-Owned Businesses – Reporting

FOR the purpose of requiring ~~the Director of Finance~~ directors of certain executive departments to provide annual reports to the Mayor and the City Council regarding certain Baltimore City employee-owned businesses; defining certain terms; ~~and~~ specifying the contents of the required reports; and providing for a special effective date.

BY adding

Article 5 - Finance, Property, and Procurement
Section(s) 14-1 to ~~14-5~~ 14-4, to be under the new subtitle,
“Subtitle 14. Employee-Owned Businesses”
Baltimore City Code
(Edition 2000)

SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the Laws of Baltimore City read as follows:

Baltimore City Code

Article 5. Finance, Property, and Procurement

SUBTITLE 14. EMPLOYEE-OWNED BUSINESSES

§ 14-1. DEFINITIONS.

(A) *IN GENERAL.*

IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(B) *DIRECTOR.*

“DIRECTOR” MEANS THE DIRECTOR OF ~~THE DEPARTMENT OF FINANCE OR THE~~ A STATED EXECUTIVE DEPARTMENT OR THAT DIRECTOR’S DESIGNEE.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from existing law by amendment.

Council Bill 19-0452

1 (C) *EMPLOYEE-OWNED BUSINESS.*

2 “EMPLOYEE-OWNED BUSINESS” MEANS A BUSINESS IN WHICH:

- 3 (1) THE BUSINESS’S EMPLOYEES ARE REPRESENTED ON THE BOARD OF DIRECTORS AND
4 THE BUSINESS’S EMPLOYEES CONTROL THE MAJORITY OF THE VOTING STOCK; OR
- 5 (2) THE TRUSTEES ARE ELECTED BY THE BUSINESS’S EMPLOYEES, IF THE BUSINESS IS
6 HELD IN TRUST THAT CONTROLS THE MAJORITY OF THE VOTING STOCK.

7 **§ 14-2. ~~DIRECTOR OF FINANCE~~ CERTAIN DEPARTMENTS TO REPORT.**

8 (A) *IN GENERAL.*

9 NO LATER THAN 3 MONTHS AFTER THE END OF EACH FISCAL YEAR, THE ~~DIRECTOR~~
10 DIRECTORS OF THE DEPARTMENTS OF FINANCE, PUBLIC WORKS, TRANSPORTATION,
11 GENERAL SERVICES, AND RECREATION AND PARKS SHALL JOINTLY SUBMIT A REPORT TO
12 THE MAYOR AND THE CITY COUNCIL REGARDING EMPLOYEE-OWNED BUSINESSES IN
13 BALTIMORE CITY AND SHALL INCLUDE THE INFORMATION REQUIRED BY THIS SUBTITLE.

14 (B) *BUSINESS INPUT.*

15 TO THE EXTENT PRACTICABLE, IN PREPARING THE REPORT REQUIRED UNDER BY THIS
16 SUBTITLE, THE ~~DIRECTOR~~ DIRECTORS OF THE DEPARTMENTS OF FINANCE, PUBLIC WORKS,
17 TRANSPORTATION, GENERAL SERVICES, AND RECREATION AND PARKS MAY CONSULT
18 WITH EMPLOYEE-OWNED BUSINESSES IN BALTIMORE CITY TO PROVIDE NECESSARY
19 BACKGROUND AND ADVICE.

20 (C) *IDENTIFICATION OF EMPLOYEE-OWNED BUSINESSES.*

21 INFORMATION IN THE REPORT REQUIRED BY THIS SUBTITLE SHALL BE LIMITED TO ONLY
22 THOSE EMPLOYEE-OWNED BUSINESSES THAT HAVE IDENTIFIED THEMSELVES TO THE CITY
23 AS BEING AN EMPLOYEE-OWNED BUSINESS.

24 **§ 14-3 REPORTING REQUIREMENT: CITY CONTRACTS AWARDED TO EMPLOYEE-OWNED**
25 **BUSINESSES.**

26 (A) CONTRACTS ISSUED THROUGH THE BUREAU OF PROCUREMENT.

27 ~~IN THE DIRECTOR OF FINANCE, IN~~ CONSULTATION WITH THE ~~CHIEF CITY~~ PURCHASING
28 AGENT ~~AND WITH THE COOPERATION OF ALL CITY AGENCIES, THE DIRECTOR,~~ SHALL
29 INCLUDE IN THE REPORT REQUIRED BY THIS SUBTITLE THE FOLLOWING INFORMATION FOR
30 THE PREVIOUS FISCAL YEAR:

- 31 (1) THE NUMBER AND TOTAL DOLLAR VALUE OF ~~ALL~~ CITY CONTRACTS AWARDED TO
32 EMPLOYEE-OWNED BUSINESSES THROUGH THE DEPARTMENT OF FINANCE BUREAU OF
33 PROCUREMENT PROCESS, DISAGGREGATED BY CITY AGENCY AND TYPE OF BUSINESS;

Council Bill 19-0452

(2) ~~THE NUMBER AND TOTAL DOLLAR VALUE OF ALL CITY CONTRACTS THROUGH THE DEPARTMENT OF FINANCE BUREAU OF PROCUREMENT PROCESS, DISAGGREGATED BY CITY AGENCY AND TYPE OF BUSINESS; AND~~

(3) ~~OF ALL CITY CONTRACTS ISSUED THROUGH THE DEPARTMENT OF FINANCE BUREAU OF PROCUREMENT PROCESS, THE PERCENTAGE OF CITY THOSE CONTRACTS AWARDED TO EMPLOYEE-OWNED BUSINESSES, DISAGGREGATED BY CITY AGENCY AND TYPE OF BUSINESS.~~

(B) ~~CONTRACTS ISSUED OUTSIDE OF THE BUREAU OF PROCUREMENT.~~

THE DIRECTORS OF THE DEPARTMENTS OF PUBLIC WORKS, TRANSPORTATION, GENERAL SERVICES, AND RECREATION AND PARKS SHALL INCLUDE IN THE REPORT REQUIRED BY THIS SUBTITLE THE FOLLOWING INFORMATION FOR EACH DIRECTOR'S RESPECTIVE DEPARTMENT FOR THE PREVIOUS FISCAL YEAR:

(1) THE NUMBER AND TOTAL DOLLAR VALUE OF ALL DEPARTMENTAL CONTRACTS AWARDED TO EMPLOYEE-OWNED BUSINESSES, DISAGGREGATED BY DEPARTMENT AND TYPE OF BUSINESS;

(2) THE NUMBER AND TOTAL DOLLAR VALUE OF ALL DEPARTMENTAL CONTRACTS, DISAGGREGATED BY DEPARTMENT AND TYPE OF BUSINESS; AND

(3) OF ALL DEPARTMENTAL CONTRACTS, THE PERCENTAGE OF DEPARTMENTAL CONTRACTS AWARDED TO EMPLOYEE-OWNED BUSINESSES, DISAGGREGATED BY DEPARTMENT AND TYPE OF BUSINESS.

~~§ 14-4. REPORTING REQUIREMENT: CITY ASSISTANCE TO EMPLOYEE-OWNED BUSINESSES.~~

~~(A) ASSISTANCE DEFINED.~~

IN THIS SECTION, "ASSISTANCE" MEANS:

~~(1) ANY FINANCIAL ASSISTANCE FROM ANY CITY AGENCY OR THE BALTIMORE DEVELOPMENT CORPORATION INCLUDING A GRANT, A LOAN, TAX INCREMENT FINANCING, OR PAYMENTS IN LIEU OF TAXES; OR~~

~~(2) CERTIFICATION UNDER SUBTITLE 28 OF THIS ARTICLE AS A MINORITY BUSINESS ENTERPRISE, A WOMEN'S BUSINESS ENTERPRISE, OR A SMALL LOCAL BUSINESS ENTERPRISE.~~

~~(B) IN GENERAL.~~

~~THE DIRECTOR, IN CONSULTATION WITH THE CHIEF PURCHASING AGENT, THE CHIEF OF THE MINORITY AND WOMEN'S BUSINESS OPPORTUNITY OFFICE, AND THE CHIEF EXECUTIVE OFFICER OF THE BALTIMORE DEVELOPMENT CORPORATION, SHALL INCLUDE IN THE REPORT REQUIRED BY THIS SUBTITLE THE FOLLOWING INFORMATION FOR THE PREVIOUS FISCAL YEAR:~~

~~(1) THE NUMBER OF EMPLOYEE-OWNED BUSINESSES THAT APPLIED FOR ASSISTANCE;~~

Council Bill 19-0452

~~(2) THE NUMBER OF EMPLOYEE-OWNED BUSINESSES ACTUALLY PROVIDED ASSISTANCE, A DESCRIPTION OF WHAT THAT ASSISTANCE WAS, AND, IF KNOWN, HOW THE ASSISTANCE WAS UTILIZED BY THE BUSINESS; AND~~

~~(3) A DESCRIPTION OF THE EMPLOYEE-OWNED BUSINESSES THAT APPLIED FOR AND WERE ACTUALLY PROVIDED WITH ASSISTANCE, SUCH AS TYPE OF BUSINESS AND LOCATION WITHIN THE CITY.~~

~~§ 14-5. REPORTING REQUIREMENT: ASSESSMENTS; LEGISLATIVE OR POLICY RECOMMENDATIONS.~~

~~THE DIRECTOR, IN CONSULTATION WITH THE CHIEF PURCHASING AGENT, SHALL INCLUDE IN THE REPORT REQUIRED BY THIS SUBTITLE:~~

14-4. ANNUAL REPORT: ASSESSMENTS; LEGISLATIVE AND POLICY RECOMMENDATIONS.

UTILIZING THE DATA CONTAINED IN THE REPORT REQUIRED BY § 14-2 {"CERTAIN DEPARTMENTS TO REPORT"} OF THIS SUBTITLE, THE MAYOR'S OFFICE OF SMALL BUSINESS (OR ITS SUCCESSOR OFFICE, AGENCY, OR UNIT) SHALL, NO LATER THAN JUNE 30 OF EACH YEAR, SUBMIT A REPORT TO THE MAYOR AND CITY COUNCIL SETTING FORTH:

(1) AN ASSESSMENT OF THE DIFFICULTIES OR OBSTACLES THAT EMPLOYEE-OWNED BUSINESSES ENCOUNTER WHEN COMPETING FOR CITY CONTRACTS; AND

(2) LEGISLATIVE OR POLICY PROPOSALS TO LESSEN THE EFFECTS OF THE DIFFICULTIES AND OBSTACLES AND TO ENHANCE THE ABILITY OF EMPLOYEE-OWNED BUSINESSES TO COMPETE FOR AND OBTAIN CITY CONTRACTS.

SECTION 2. AND BE IT FURTHER ORDAINED, That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

SECTION 3. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on ~~the 30th day~~ after the date it is enacted January 1, 2021.

Council Bill 19-0452

Certified as duly passed this _____ day of _____, 20____

President, Baltimore City Council

Certified as duly delivered to His Honor, the Mayor,

this _____ day of _____, 20____

Chief Clerk

Approved this _____ day of _____, 20____

Mayor, Baltimore City