

CITY OF BALTIMORE  
ORDINANCE **20.429**  
Council Bill 19-0452

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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

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**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.



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(C) *EMPLOYEE-OWNED BUSINESS.*

"EMPLOYEE-OWNED BUSINESS" MEANS A BUSINESS IN WHICH:

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

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

(A) *IN GENERAL.*

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

(B) *BUSINESS INPUT.*

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

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

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

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

(A) CONTRACTS ISSUED THROUGH THE BUREAU OF PROCUREMENT.

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

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



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(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;



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(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 30<sup>th</sup> day~~ after the date it is enacted January 1, 2021.



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Certified as duly passed this 21 day of September, 2020

Brandon M. Scott

President, Baltimore City Council

Certified as duly delivered to His Honor, the Mayor,

this 21 day of September, 2020

Natasha B. Austin

Chief Clerk

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Pursuant to Baltimore City Charter, Article IV, section 5 (c), this bill became law without the Mayor's signature on November 2, 2020.

Mayor, Baltimore City

**A TRUE COPY**  
**Henry Raymond**  
**Director of Finance**

Approved for form and legal sufficiency  
This 23rd day of September, 2020.

Elena DiPietro

Chief Solicitor