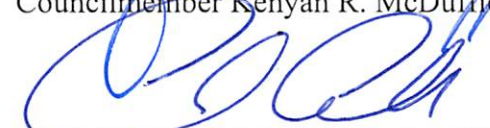


1 
2 Councilmember Trayon White


Councilmember Kenyan R. McDuffie


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5 Councilmember Brianne Nadeau


Councilmember Charles Allen

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9 Councilmember Anita Bonds


Councilmember Brandon Todd

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12 Councilmember Mary Cheh


Councilmember Robert White

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18 A BILL
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23 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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27

28 To amend the Small and Certified Business Enterprise and Assistance Act of 2005 to establish
29 the Small Business Bonding Program to provide training, financial, and technical
30 assistance to eligible participants, to require certain criteria for participation in the
31 program, and to require quarterly and annual reporting that evaluates the program's
32 performance, and to provide that 5% of certain penalties and fees collected by the
33 Department of Small and Local Business Development be used for the administration of
34 the Small Business Bonding Program.
35

36
37 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
38 act may be cited as the "Small Business Bonding Program Establishment Amendment Act of
39 2018".

40 Sec. 2. The Small and Certified Business Enterprise Development and Assistance Act of
41 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*), is
42 amended as follows:

43 (a) A new section 2313a is added to read as follows:

44 “Sec. 2313a. Establishment of the Small Business Bonding Program.

45 “(a) There is established a Small Business Bonding Program (“Program”), which shall be
46 administered by the Department.

47 “(b) The Department shall:

48 “(1) Identify and recruit contractors that meet the eligibility criteria set forth in
49 subsection (b) of this section.

50 “(2) Coordinate with surety associations to identify professionals from the surety,
51 construction, legal, bonding, and financial sectors to organize bonding initiative workshops and
52 serve as a bond-readiness team;

53 “(3) Conduct continuous outreach to inform eligible participants of the bonding
54 program;

55 “(4) Coordinate with the surety industry on intake and assessment for bonding and
56 assembling company profiles and bonding packages;

57 “(5) Develop a network that connects eligible participants with the surety,
58 banking, and financial industries through sponsoring meetings and counseling services;

59 “(6) Identify and develop a plan to address factors that may prevent a participant
60 from obtaining a bond;

61 “(7) Develop key performance indicators, objectives, and workload measures to
62 monitor the progress and success of the program; and

63 “(8) Coordinate with the Department of Insurance, Securities and Banking and the
64 Office of Risk Management on the development of the Program.

65 “(b) For purposes of this act, eligible participant means a Small Business Enterprise that
66 meets the requirements of section 2332, and that has:

67 “(1) Been in operation for at least 2 years;

68 “(2) Not been prequalified, and is unable to obtain bonding, or not been able to
69 increase their bonding limits;

70 “(3) A maximum bond line or project size of \$2 million;

71 “(4) A minimum average gross revenue of \$250,000 in the last 2 fiscal years;

72 “(5) A maximum gross revenue of \$5 million in the most recent fiscal year;

73 and

74 “(6) A minimum credit score of 600.

75 “(c) The Department shall file a quarterly report with the Mayor and the Council that
76 includes:

77 “(1) The number of SBEs served;

78 “(2) The business name of the SBEs served;

79 “(3) The ward location for each SBE served; and

80 “(4) The number of firms who received bonding after participation in the

81 Program.

82 “(d) The Department shall provide the Mayor and the Council with an annual report that
83 includes:

84 “(1) An evaluation of the Program’s performance;

85 “(2) An evaluation of the efforts of SBEs to obtain bonding and increase their
86 bonding level; and

87 “(3) An evaluation of implementation challenges and recommendations for future
88 improvements.”.

89 (b) Section 2375(c) (D.C. Official Code § 2-218.75(c)) is amended by adding a new
90 paragraph (3) to read as follows:

91 “(3) Five percent of penalties assessed under paragraph (2) of this subsection shall
92 be used for the administration of the Small Business Bonding program established by section
93 2313a”.

94 Sec. 3. Fiscal impact statement.

95
96 The Council adopts the fiscal impact statement in the committee report as the fiscal impact
97 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
98 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

99 Sec. 4. Effective date.

100 This act shall take effect following approval by the Mayor (or in the event of veto by the
101 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
102 provided in section 602(c)(2) of the District of Columbia Home Rule Act, approved December 24,
103 1973 (87 Stat. 788; D.C. Official Code § 1-206.02(c)(2)), and publication in the District of
104 Columbia Register.