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4 Chairman Phil Mendelson  
5 at the request of the Mayor  
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8 A BILL  
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12 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
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17 To amend, on an emergency basis, the Small and Certified Business Enterprise Development and  
18 Assistance Act of 2005 to require a business applying for certification as a local business  
19 enterprise to be independently owned and operated; to amend minimum certified business  
20 enterprise performance requirements in a certified joint venture; and to establish uniform  
21 hearing procedures for enforcement actions.  
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23 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
24 act may be cited as the “Certified Business Enterprise Program Compliance and Enforcement  
25 Support Emergency Amendment Act of 2025”.

26 Sec. 2. The Small and Certified Business Enterprise Development and Assistance Act of  
27 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*), is  
28 amended as follows:

29 (a) Section 2302 (D.C. Official Code § 2-218.02) is amended as follows:

30 (1) Paragraph (7) is amended to read as follows:

31 “(7) “Economically disadvantaged individual” means an individual who owns at  
32 least a 51% interest in a business enterprise and whose personal net worth does not exceed the  
33 limits set by the federal Department of Transportation, pursuant to 49 CFR § 26.68.”

34 (2) Paragraph (8A) is amended to read as follows:

35 “(8A) Equity impact enterprise” means a business enterprise that is a resident-  
36 owned business, small business enterprise, and disadvantaged business enterprise.”

37 (3) Paragraph (9) is redesignated as paragraph (8B).

38 (4) A new paragraph (9) is added to read as follows:

39 “(9) “Formal complaint” means a complaint that is submitted to the Department  
40 in writing, sworn to by the complainant, and notarized.”.

41 (5) A new paragraph (10A) is added to read as follows:

42 “(10A) “Informal complaint” means a complaint other than a formal complaint  
43 and includes complaints submitted in person, by email, by telephone, or through the  
44 Department’s complaint hotline.”.

45 (6) A new paragraph (10B) is added to read as follows:

46 “(10B) “Independently owned and operated” means that the business enterprise  
47 manages and controls its day-to-day operations without being subject to control, restriction,  
48 modification, or limitation by another business enterprise or not-for-profit business that has an  
49 ownership or other financial interest in the business enterprise.”.

50 (7) Paragraph (13B) is redesignated as paragraph (13C).

51 (8) A new paragraph (13B) is added to read as follows:

52 “(13B) “Person” means any individual, firm, partnership, joint venture, general  
53 partner of a partnership, limited liability company, registered limited liability partnership, foreign  
54 limited liability partnership, association, corporation, unincorporated business, company,  
55 syndicate, estate, trust, business trust, trustee, trustee in bankruptcy, receiver, executor,

56 administrator, assignee, fiduciary, or entity of any kind.”.

57 (b) Section 2331 (D.C. Official Code § 2-218.31) is amended by adding a new  
58 paragraph (1A) to read as follows:

59 “(1A)(A) Is:

60 “(i) Independently owned and operated;

61 “(ii) More than 50% owned, operated, and controlled by a District-  
62 based enterprise or not-for-profit business; or

63 “(iii) Owned by a non-District-based business enterprise that is more  
64 than 50% owned by District residents;”.

65 (c) Section 2346(b)(2)(A) (D.C. Official Code § 2-218.46(b)(2)(A)) is amended as  
66 follows:

67 “(2)(A) Each government-assisted construction and non-construction contract for  
68 which a certified joint venture is selected as a beneficiary and is granted points or a price reduction  
69 pursuant to section 2343 or is selected through a set-aside program under this subpart shall include  
70 a requirement that each certified business enterprise holding a majority or minority interest in the  
71 certified joint venture shall, with its own organization and resources, perform a percentage of the  
72 work equal to or greater than its percentage interest in the joint venture, and, if the certified joint  
73 venture subcontracts, at least 35% of the subcontracted effort shall be with certified business  
74 enterprises.”.

75 (d) Section 2363 (D.C. Official Code § 2-218.63) is amended as follows:

76 (1) Subsection (c) is amended by striking the phrase “, in accordance  
77 with procedures set forth in subsection (e) of this section,”.

78 (2) Subsection (e) is amended as follows:

79 (A) Paragraphs (1), (2), and (3) are amended to read as follows:

80 “(e)(1)(A) Any person may file with the Department a formal or informal complaint  
81 alleging a violation of this act.

82 “(B) The Department shall maintain a hotline for the filing of informal  
83 complaints.

84 “(2) Except as provided in paragraph (3) of this subsection, the Department shall  
85 investigate each formal or informal complaint filed with it.

86 “(3) The Department may dismiss a complaint without conducting an investigation  
87 if the Department determines the complaint is frivolous or otherwise without merit. If the  
88 Department dismisses a formal complaint as frivolous or otherwise without merit, the  
89 Department shall prepare a report that includes:

90 “(A) A statement detailing the formal complaint, including the name,  
91 address, and telephone number of the person filing the complaint;

92 “(B) The name of the person or certified joint venture alleged to be in  
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violation of this act;

“(C) The facts and law considered in rendering the determination; and

“(D) Any other information considered in rendering the determination.”.

(B) Paragraph (4) is repealed.

(C) New paragraphs (5) and (6) are added to read as follows:

“(5) After the completion of an investigation conducted pursuant to this

subsection, the Department shall take such enforcement action, if any, it deems appropriate.

“(6) The Department shall maintain a record listing all formal complaints, which shall contain:

“(A) The name of the person alleged to be in violation of this act;

“(B) The date the formal complaint was made to the Department; and

“(C) A description of the formal complaint.”.

(3) Subsection (g) is amended to read as follows:

“(g)(1) Except as provided in paragraph (8) of this subsection, before issuing a civil penalty to, or denying, suspending, changing, or revoking a certification, a person or a certified joint venture, the Department shall issue a notice of determination to the person or certified joint venture. The notice of determination shall describe the:

“(A) Basis for the Department’s determination;

“(B) Proposed penalty, if any; and

“(C) Process and timeline by which the person or certified joint venture may request a hearing.

“(2) Pursuant to paragraph (3) of this subsection, a person, or a designated representative on behalf of a certified joint venture, may request a hearing before the Office of Administrative Hearings within 10 days after receiving the notice. If the person or certified joint venture does not request a hearing within that time, the civil penalty, denial, suspension, change,

or revocation shall become final, and the person or certified joint venture shall be deemed to have waived the opportunity for judicial review.

“(3) If a hearing is requested, the Office of Administrative Hearings shall consider the matter pursuant to section 19 of the Office of Administrative Hearings Establishment Act of 2001, effective March 6, 2002 (D.C. Law 14-76; D.C. Official Code § 2-1831.16), and the rules issued pursuant to it. The Department shall bear the burden of establishing the violation by a preponderance of the evidence.

“(4) The Office of Administrative Hearings shall conduct such hearing based on the record developed by the Department. The decision of the Office of Administrative Hearings shall be the final administrative decision for the purpose of judicial review.

“(5) Notice of a final suspension or revocation of a certification shall be published on the Department’s website.

“(6) A business enterprise or joint venture whose certification has been revoked shall not be eligible to apply for a new certification from the Department until 36 months after the date that the revocation became final.

“(7)(A) The Department may at any time, upon motion by a business enterprise or joint venture whose certification has been suspended or revoked, remove the suspension or reissue a certification if the Department determines that it is in the District government’s interest to remove the suspension or reissue the certification before the end of the 36-month period and the removal or reissuance will not endanger the health, safety, or welfare of the general public.

“(B) In determining whether to remove a suspension or reissue a certification, the Department shall consider whether the business enterprise or joint venture

submitted satisfactory proof that conditions within, or actions by, the business enterprise or joint venture that led to the suspension or revocation have been corrected.

“(C) A business enterprise or joint venture whose certification is reissued shall cease to be subject to the 36-month waiting period established in paragraph (6) of this subsection.

“(8)(A) If, after an investigation, the Department determines that a business enterprise or joint venture certified under this act has violated any provision of this act in such a manner as to present an imminent danger to the health, safety, or welfare of any person or the general public, the Department may summarily suspend the certification of the business enterprise or joint venture upon issuing the notice of determination described in paragraph (1) of this subsection.

“(B)(i) The notice of determination shall inform the business enterprise or joint venture of the reason for the summary suspension and the right to request a hearing before the Office of Administrative Hearings pursuant to this subsection.

“(ii) If a business enterprise or joint venture timely requests a hearing on a summary suspension, the Office of Administrative Hearings shall conduct the hearing within 14 days after receiving the request, unless a longer period of time is agreed to by the business enterprise or joint venture, and shall issue a decision within 14 days after the record of the hearing closes.”.

### Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975,

approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

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), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; 89 D.C. Official Code § 1-204.12(a)).