



Councilmember Wendell Felder

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Small and Certified Business Enterprise Development and Assistance Act of 2005 to require a business applying for certification as a local business enterprise to be independently owned and operated, to amend minimum certified business enterprise performance requirements in a certified joint venture, and to establish uniform hearing procedures for enforcement actions.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Certified Business Enterprise Program Compliance and Enforcement Support Emergency Amendment Act of 2026”.

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

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

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

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

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

34 “(8A) Equity impact enterprise” means a business enterprise that is a resident-
35 owned business, small business enterprise, and disadvantaged business enterprise.”

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

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

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

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

41 “(10A) “Informal complaint” means a complaint other than a formal complaint and
42 includes complaints submitted in person, by email, by telephone, or through the Department’s
43 complaint hotline.”.

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

45 “(10B) “Independently owned and operated” means that the business enterprise
46 manages and controls its day-to-day operations without being subject to control, restriction,
47 modification, or limitation by another business enterprise or not-for-profit business that has an
48 ownership or other financial interest in the business enterprise.”.

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

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

51 “(13B) “Person” means any individual, firm, partnership, joint venture, general
52 partner of a partnership, limited liability company, registered limited liability partnership, foreign
53 limited liability partnership, association, corporation, unincorporated business, company, syndicate,
54 estate, trust, business trust, trustee, trustee in bankruptcy, receiver, executor, administrator,

55 assignee, fiduciary, or entity of any kind.”.

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

58 “(1A)(A) Is:

59 (i) Independently owned and operated;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

95 (B) Paragraph (4) is repealed.

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

97 “(5) After the completion of an investigation conducted pursuant to this subsection,
98 the Department shall take such enforcement action, if any, it deems appropriate.

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

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

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

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

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

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

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

110 “(B) Proposed penalty, if any; and

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

113 “(2) Pursuant to paragraph (3) of this subsection, a person, or a designated
114 representative on behalf of a certified joint venture, may request a hearing before the Office of
115 Administrative Hearings within 10 days after receiving the notice. If the person or certified joint
116 venture does not request a hearing within that time, the civil penalty, denial, suspension, change, or
117 revocation shall become final, and the person or certified joint venture shall be deemed to have
118 waived the opportunity for judicial review.

119 “(3) If a hearing is requested, the Office of Administrative Hearings shall consider
120 the matter pursuant to section 19 of the Office of Administrative Hearings Establishment Act of

121 2001, effective March 6, 2002 (D.C. Law 14-76; D.C. Official Code § 2-1831.16), and the rules
122 issued pursuant to it. The Department shall bear the burden of establishing the violation by a
123 preponderance of the evidence.

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

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

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

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

137 “(B) In determining whether to remove a suspension or reissue a certification,
138 the Department shall consider whether the business enterprise or joint venture submitted satisfactory
139 proof that conditions within, or actions by, the business enterprise or joint venture that led to the
140 suspension or revocation have been corrected.

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

143 subsection.

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

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

153 “(ii) If a business enterprise or joint venture timely requests a hearing
154 on a summary suspension, the Office of Administrative Hearings shall conduct the hearing within
155 14 days after receiving the request, unless a longer period of time is agreed to by the business
156 enterprise or joint venture, and shall issue a decision within 14 days after the record of the hearing
157 closes.”.

158 Sec. 3. Fiscal impact statement.

159 The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact
160 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
161 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

162 Sec. 4. Applicability.

163 This act shall apply as of March 29, 2026.

164 Sec. 5. Effective date.

165 This act shall take effect following approval by the Mayor (or in the event of veto by the
166 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90
167 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of
168 the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official
169 Code § 1-204.12(a)).