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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to close a loophole in the existing law that allows large out-of-state firms to certify as local business enterprises.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Local Business Enterprise Clarification Emergency Declaration Resolution of 2021”.

Sec. 2. (a) The goal of the Department of Small and Local Business Development (“DSLBD”) is to stimulate and foster the economic growth and development of businesses based in the District of Columbia. Due to a loophole in existing law, many large, out-of-District businesses have been able to legally certify as local business enterprises.

(b) In September 2020, the Council enacted emergency and temporary legislation to close the loophole. The Local Business Clarification Temporary Amendment Act of 2020, effective December 23, 2020 (D.C. Law 23-179; 67 DCR 13242), will expire on August 5, 2021 (“temporary legislation”).

(c) It is of vital importance to keep the provisions of the temporary legislation effective law until permanent legislation is enacted so that local businesses continue to have a fair shot in the District’s contracting and procurement process, and, in addition, to define the term

29 “independently owned, operated, and controlled,” which had not been defined in the temporary
30 legislation and which created an ambiguity that was left for DSLBD to interpret.

31 Sec. 3. The Council of the District of Columbia determines that the circumstances
32 enumerated in section 2 constitute emergency circumstances making it necessary that the Local
33 Business Clarification Emergency Amendment Act of 2021 be adopted after a single reading.

34 Sec. 4. This resolution shall take effect immediately.