

**Annual Report to the Governor**

**The Governor's Commission on Small Business  
Fiscal Year 2014  
(July 1, 2013 – June 30, 2014)**

**MARYLAND OF OPPORTUNITY.®**

Department of Business & Economic Development

**Governor’s Commission on Small Business Annual Report**  
*July 2013 through June 2014*

**TABLE OF CONTENTS**

**Executive Summary..... Page 1**

**About the Governor’s Commission on Small Business..... Page 2**

**The Year in Review ..... Page 3**

- **Regular Meetings**
- **Agency Meetings**
- **Action Plan**

**Recommendations ..... Page 7**

**Conclusion..... Page 9**

**Appendices ..... Page 10**

- **Commission Leadership**
- **Commission Members**
- **Commission Sub-committees**
  - **Executive**
  - **Capital Needs**
  - **Regulatory & Business Competitiveness**
  - **Regional & Global Access**
  - **Workforce Development & Education**
- **Commission Staff**

## Executive Summary

The Governor's Commission on Small Business (Commission), in accordance with Executive Order 01.01.2010.13, hereby submits to the Governor, its Fiscal Year 2014 report which outlines activities and appropriate recommendations. During the past year, the Commission completed their research phase and began the implementation of a strategic Action Plan. The Action Plan was created based on what the Commission learned about specific State agency policies, practices, and initiatives related to small businesses as well as direct input from the small business community during the last two years' outreach efforts. The plan focuses on four core concepts that address the needs of Maryland's small businesses:

- Assist small business with access to capital.
- Advocate for regulatory reform and a customer service policy across State agencies.
- Enhance access to public sector procurement opportunities for small businesses.
- Support workforce development and education.

The Commission has created four sub-committees that are structured around each of the concepts and are tasked with generating and implementing the recommendations, with assistance from the Maryland Department of Business and Economic Development (DBED).

As a result of the Action Plan, the Commission has developed several legislative and administrative policy recommendations. These include modifications to the Small Business Reserve Program, the Maryland Economic Development Assistance Authority and Fund (MEDAAF) Program, and the Maryland Occupational Safety and Health Act. In addition, the Commission made recommendations to DBED about its small business initiatives and programs including improvements to its marketing, communication and promotional messaging. Many of these recommendations have been adopted by the agency.

## About the Governor's Commission on Small Business

The Commission provides a forum for small business to articulate and address barriers to business growth. Created through Executive Order 01.01.2010.13 in 2010, the Commission works to further improve Maryland's business environment by recommending actions that remove barriers and expand the vitality of Maryland's small business community.

Members work to identify, review, analyze, and recommend ideas that promote small business sustainability and growth, serving as advocates for small businesses. The Commission is also responsible for providing a regular review of Governor O'Malley's *Maryland Made Easy* initiative, which seeks to further improve Maryland's business environment by streamlining processes, simplifying regulations, and improving communications where business and government intersect.

The Commission currently consists of twenty-six members: sixteen are appointed by the Governor; two are members of the Maryland Senate; two are members of the Maryland House of Delegates; and seven are non-voting ex-officio members, representing State and federal agencies. Commission members are appointed by the Governor to serve up to two consecutive three-year terms. Taken together, this roster brings together a diverse group of entrepreneurs and other leaders that regularly interact with Maryland's small business community. (See Appendix B for a list of the Commission members.)

The Commission is organized into five sub-committees: Executive; Capital Needs; Regulatory & Business Competitiveness; Regional & Global Access; and Workforce Development & Education. Each sub-committee is tasked with implementing a specific portion of the Commission's Action Plan, as well as continuing to identify needs and concerns of small businesses. (See Appendix C for an explanation of each sub-committee and their members.)

## The Year in Review

### **Commission Activities**

The Commission conducted regular meetings and met with various State agencies. Members have also attended small business events such as the SBA Maryland Small Business Awards and the Maryland Association of Counties Conference throughout the year as guests of DBED.

The Commission held three regular meetings during the year to gather knowledge and share information (See Appendix D for copies of the each meeting's respective Agenda). A scheduled December 2013 meeting was cancelled due to inclement weather. DBED and other State agencies provided departmental updates at the regular meetings. Such information included: new initiatives and programs; agency changes; review of current and proposed legislation; legislative updates and other pertinent news impacting the small business community. The final meeting for the fiscal year was held on April 7, 2014, and was dedicated to a presentation and review of the State's Small, Minority and Women-Owned Small Business Loan Program (Video Lottery Terminal Fund).

In February 2014, members of the Capital Needs Subcommittee met with DBED's Office of Finance Programs to review the Agency's Small Business Finance Programs, including the Maryland Economic Development Assistance Authority and Fund (MEDAAF) Program. The Subcommittee plans to use their knowledge of the programs to build on further recommendations for the Commission.

### **Action Plan**

A key activity of the Commission last year was to develop and begin implementation of a strategic Action Plan. The purpose of the plan is to identify ways to make it easier for small business to operate across the State, develop strategies for implementation and build on the Commission's work over the past year. Each sub-committee is tasked with implementing a specific portion of the Action Plan.

## **GOALS/OBJECTIVES/STRATEGIES**

**A common goal of each Subcommittee is to explore initiatives to bring about reform for government policy, access to capital, workforce development and procurement.**

**GOAL I: Assist small business with access to capital.**

**Objective: Actively market existing programs and resources.**

### **Strategies:**

- Review the \$11.1 million Small, Minority and Women-Owned Small Business Loan Program (Video Lottery Terminal Fund – VLT) whose fund managers were selected by DBED and the Board of Public Works to oversee the distribution of the funds to small, minority and women-owned businesses.
- Explore existing financial resources at the Federal, State and local level and private sector including the SBA, SBTDC, SCORE, and DBED.
- Investigate local economic development revolving loan funds that DBED has helped to seed to determine if they can be promoted more effectively.
- Participate in DBED’s Small Business Resources outreach events (40+ annually) such as tradeshow and workshops to offer information and referrals to small businesses.
- Work with DBED’s Division of Marketing and Communication to create online and print collateral to support the mission of the Commission and small businesses.
- Review existing information on DBED’s website ([www.ChooseMaryland.org](http://www.ChooseMaryland.org)) and make recommendations on the organization and content to the Division of Marketing and Communications.
- Continue to offer “ombudsman” support to provide on-the-spot referrals and assistance in resolving issues through DBED’s Small Business Resources office.
- Produce regular informational columns about State, Federal and Local resources from the Commission and distribute according to DBED’s marketing and communications protocols.

**GOAL II: Advocate for regulatory reform and a customer service policy across state Agencies.**

**Objective: Enhance customer service and regulatory environment for small business.**

**Strategies:**

- Participate in existing or ongoing State initiatives to provide small business insight, e.g. focus groups for Phase I of the State’s Central Business Licensing System and provide comments and suggestions.
- Proactively advocate for legislation that improves the State’s regulatory climate and enhances customer service to small businesses.
- Explore the idea of an extended regulatory reform system using an online “suggestion box”.
- Recommend a statewide customer service initiative.
- Explore the need for agency-to-business multi-lingual communication.
- Coordinate with DBED’s Small Business Resources office on the continuation of the Commission’s Town Hall meetings to bring small business resources to stakeholders throughout the State.

**GOAL III: Enhance access to public sector procurement opportunities for small business.**

**Objective: Increase business development opportunities through improved procurement prospects.**

**Strategies:**

- Participate in outreach initiatives such as DBED’s “Contract Connections” event that provides Federal and State procurement networking opportunities for Maryland businesses.
- Review the Small Business Reserve Program with GOMA and DGS and recommend enhancements to the program.
- Update State and local procurement contact information on DBED’s B2G website page of ChooseMaryland.org.
- Investigate ways to enhance contracting and business development opportunities for small businesses.
- Work with DBED’s Marketing and Communications Division on search engine optimization for the Department’s small business resource page when complete.
- Create print collateral material detailing State procurement resources and contact information.
- Update DBED’s Small Business Resource Guide (with a digital version to be placed online).

- Review the Small Business Administration’s definition of a small business concern with the purpose of recommending a definition that could be used for State small business programs.

**GOAL IV: Support workforce development and education.**

**Objective: Enhance workforce development initiatives through partnerships and programs.**

**Strategies:**

- Support legislation that has a positive impact on the State’s workforce through testimony by the Commission Chairman and Workforce Development and Education subcommittee.
- Advocate for enhanced funding for workforce training programs and identify industry and companies that could participate in the EARN program.
- Connect with the State’s various Workforce Investment Boards (WIBS) through DBED representatives to share information and understand each other’s mission while seeking ways to cooperate effectively where possible.
- Investigate ways that higher education institutions and the State can work collaboratively to develop training and educational programs designed to meet workforce needs.
- Explore ways that State agencies can better connect with community-based training programs to determine if there are ways to work together.
- Connect with small veteran-owned businesses and entrepreneurs in order to determine their needs.

## Commission Recommendations

The Commission has developed several policy recommendations over the last year from their Action Plan.

### **Maryland Economic Development Assistance Authority and Fund (MEDAAF) Program**

The Commission advocated for House Bill 468 Maryland Economic Development Assistance Fund – Training and Technology Projects. This legislation would have expanded and modernized DBED’s primary finance incentive by providing DBED with the ability to support working capital needs of technology companies with significant growth potential and direct and immediate training projects needs of businesses. Such expansion meets the Commission’s first goal of assisting small businesses with access to capital.

#### **Outcome**

The Commission provided a letter of support to the House Economic Matters Committee in support of House Bill 468. While the bill did not pass during this year’s legislative session, MEDAAF did receive a \$27.5 million (\$8.4 million in general funds) appropriation for fiscal year 2015.

### **Small Business Reserve (SBR) Program**

In alignment with its third goal of enhancing access to public sector procurement opportunities for small businesses, the Commission supported House Bill 14 Small Business Reserve Program – Procurements by Designated Procurement Units, which clarifies the SBR Program definition of “Small Business” and requires that a procurement with an expected value between \$15,000 and \$100,000 be designated for the SBR program subject to specified exemptions.

#### **Outcome**

The Commission provided a letter of support to the Health and Government Operations Committee in support of House Bill 14; however, the bill did not pass during this year’s legislative session.

### **Maryland Occupational Safety and Health (MOSH) Act – Chemical Information List**

Currently, an employer must compile and maintain a list of certain chemicals as required by Federal Law. State law, goes beyond the federal requirements and requires such lists to be kept in a certain form and for the employer to submit the list to the Maryland Department of Environment every two years.

In support of the Commission’s second goal to advocate for regulatory reform, the Commission recommended, and DBED did provide testimony in support of the concept of House Bill 189/Senate Bill 711 Maryland Occupational Safety and Health Act – Chemical Information List – Repeal, Submission, Maintenance, and Accessibility. The legislation intended to streamline and prevent duplication of such regulations.

**Outcome**

The legislation passed the 2014 Maryland General Assembly and was signed into law by Governor O'Malley as CH 549.

**Promotion of the State's Small Business Programs and Resources**

In alignment with its first goal of assisting small businesses with access to capital, the Commission reviewed DBED's marketing strategy for State programs and resources, including its collateral and electronic material and its direct outreach efforts, and made the following recommendations:

- Revise the Small Business Resource Guide and provide an online digital version.
- Revise online State and local procurement contact information on DBED's B2G website page.
- Continue its annual small business outreach activities (36+ events).
- Improve the online visibility of DBED's small business resources by maximizing search engine optimization.

**Outcomes**

DBED has adopted all of the recommendations and plans to revise its Small Business Resource Guide and provide an online digital version later in the coming year.

**Small, Minority and Women-Owned Small Business Loan Program (Video Lottery Terminal Fund – VLT)**

In alignment with its first goal of assisting small businesses with access to capital, the Commission recommended that DBED continue to oversee and coordinate the marketing of the \$11.1 million Small, Minority and Women-Owned Small Business Loan Program (Video Lottery Terminal Fund – VLT) in conjunction with the fund managers who were selected this year to oversee the distribution of those funds to small, minority and women-owned small business.

**Outcome**

DBED's Division of Marketing and Communications will continue to coordinate the branding and promotional efforts of the program with the existing and new fund managers over the coming year. The promotional efforts will include newsletters, press releases and email marketing support in order to promote the program effectively.

## Conclusion

The Commission appreciates the opportunity to provide input on issues of significant importance to Maryland's small businesses. In the year ahead, we will continue implementing our Action Plan, interacting with the small business community to monitor areas of concern and offer assistance, advocating for the State's small businesses and supporting Governor O'Malley's *Maryland Made Easy* initiatives. We look forward to continuing to ensure that Maryland remains a great place to do business.

## **Appendices**

### **APPENDIX A**

#### **LEADERSHIP**

Ackneil M. Muldrow II is Chairman of the Commission. Mr. Muldrow is CEO of ParkerMuldrow & Associates and former President and CEO of the Development Credit Fund. Mr. Muldrow is Chairman, Past President, and CEO of the Baltimore Marketing Association and President of the Baltimore Efficiency and Economy Foundation.

Karen Barbour is Co-Chairman of the Commission. Ms. Barbour is President of The Barbour Group, LLC, an independent insurance agency focusing on surety bonding and commercial insurance for the construction industry, both nationally and internationally.

## **APPENDIX B**

### **GOVERNOR'S COMMISSION ON SMALL BUSINESS MEMBERS**

#### **Commissioners**

**Ackneil M. Muldrow II, Chairman**

CEO, ParkerMuldrow & Associates, LLC

**Karen Barbour, Co-Chairman**

President, The Barbour Group, LLC

**Barbara I. Berschler, Esquire**

Partner, Press & Dozier, LLC

**Roland O. Campbell**

President/CEO, ROC Realty Group

**James A. Dula**

Chief Executive, James Dula Consulting

**Annie Geiermann**

Financial Consultant

**Manuel Hidalgo**

Director of Entrepreneurship, Corporation for Enterprise Development

**Ricardo R. Johnson, Esq.**

Associate General Counsel, CareFirst BlueCross BlueShield

**Wonro Lee**

President & CEO, J.G. Merchant Sales & Service

**Jorge Restrepo**

President, Eurekafacts, LLC

**David Daesok Son**

Prince George's County Board of License Commissioners

**Deborah Stallings**

President, HR Anew, Inc.

**Jay Steinmetz**

President, Barcoding, Inc.

**R. Wayne Strausburg**

Director of Administration, Wicomico County

**Sajid N. Tarar, LLB, LLM**

President, The Tarar Group

**William Yerman**  
Chief Executive Officer, Continental Title Group

## **Legislators**

**Senator Barry Glassman**  
Maryland Senate

**Senator James N. Mathias, Jr.**  
Maryland Senate

**Delegate Adrienne A. Jones**  
Maryland House of Delegates

**Delegate Steven R. Schuh**  
Maryland House of Delegates

## **Ex-Officio Members**

**Alvin C. Collins**  
Secretary, Department of General Services (DGS)

**Zenita Wickham Hurley**  
Special Secretary, Governor's Office of Minority  
Affairs (GOMA)

**Dominick Murray**  
Secretary, Maryland Department of Business &  
Economic Development (DBED)

**Leonard J. Howie III**  
Secretary, Maryland Department of Labor, Licensing & Regulation (DLLR)

**Raymond A. Skinner**  
Secretary, Maryland Department of Housing & Community Development (DHCD)

**Renee Sprow**  
State Director, Maryland Small Business  
Technology Development Center Network (SBTDC)

**Stephen Umberger**  
Director, United States Small Business  
Administration, Baltimore District Office

## APPENDIX C

### COMMISSION STRUCTURE - SUBCOMMITTEE ASSIGNMENTS

#### Subcommittee I: Executive

Comprised of the chairmen of each sub-committee, the Executive sub-committee focuses on the administrative functions of the Commission, working with DBED on legislative concepts and new initiatives. It oversees the implementation of the Action Plan and the overall work of each sub-committee.

**Ackneil M. Muldrow, Chair man**  
CEO, ParkerMuldrow & Associates, LLC

**Jorge Restrepo**  
President, EurekaFacts, LLC

**Karen Barbour, Co-Chairman**  
President, The Barbour Group, LLC

**Jay Steinmetz**  
President Barcoding, Inc.

**Annie Geiermann**  
Financial Consultant

**James Dula**  
Chief Executive, James Dula Consulting

#### Subcommittee II: Capital Needs

This sub-committee seeks to improve the ability of small businesses to access capital.

**Annie Geiermann, Chairman**  
Financial Consultant

**Ackneil M. Muldrow**  
CEO, ParkerMuldrow & Associates, LLC

**Wonro Lee, Co-Chairman**  
President & CEO, J.G. Merchant Sales & Service

**Raymond Skinner**  
Secretary, Department of Housing & Community Development

**Mike Halosky (Representing DHCD)**  
Director, Department of Housing & Community Development

**Renee Sprow**  
State Director, Maryland Small Business Technology Development Center Network (SBTDC)

**Manuel Hidalgo**  
President, Hidalgo Community Based Consulting

**Stephen Umberger**  
Director, United States Small Business Administration, Baltimore District Office

### **Subcommittee III: Regulatory & Business Competitiveness**

This sub-committee focuses on increasing market access for Maryland's small businesses both domestically and globally. This includes procurement for products and services within local, state, and federal markets as well as regulatory issues that may impede small business growth.

**Jay Steinmetz, Chairman**  
President, Barcoding, Inc.

**Barbara Berschler, Co-Chairman**  
Partner, Press & Dozier, LLC.

**Karen Barbour**  
President, The Barbour Group, LLC

**Roland O. Campbell**  
President/CEO, ROC Realty Group

**Ricardo R. Johnson, Esq.**  
Associate General Counsel, CareFirst BlueCross  
BlueShield

**Leonard J. Howie III**  
Secretary, Maryland Department of Labor,  
Licensing & Regulation (DLLR)

**Delegate Steven R. Schuh**  
Maryland House of Delegates

**R. Wayne Strausburg**  
Director of Administration, Wicomico County

**David Daesok Son**  
Prince George's County Board of License  
Commissioners

### **Subcommittee IV: Regional & Global Access**

This sub-committee identifies and recommends methods to increase local, state and federal procurement opportunities through educational opportunities and access to resources.

**Jorge Restrepo, Chairman**  
President, EurekaFacts, LLC

**Deborah Stallings, Co-Chairman**  
President, HR Anew, Inc.

**Karen Barbour**  
President, The Barbour Group, LLC

**Roland O. Campbell**  
President & CEO, ROC Realty Group

**Alvin C. Collins**  
Secretary, Maryland Department of General  
Services

**Zenita Wickham Hurley**  
Special Secretary, Governor's Office of  
Minority Affairs

**Renee Sprow**  
State Director, Maryland Small Business  
Technology Development Center Network  
(SBTDC)

### **Subcommittee V: Workforce Development & Education**

This sub-committee focuses on the availability of workforce training programs to assist employers with hiring well-qualified staff. It also works to recommend partnerships with government, academia, vocational training providers and employers to generate a revolving pool of skilled staff for new and existing small businesses, and provide innovative training.

**James A. Dula, Chairman**

Chief Executive, James Dula Consulting

**Jorge Restrepo**

President, EurekaFacts, LLC

**Delegate Adrienne A. Jones, Co-Chairman**

Maryland House of Delegates

**Deborah Stallings**

President, HR Anew, Inc.

**Leonard J. Howie III**

Secretary, Maryland Department of Labor, Licensing  
Regulation (DLLR)

**William Yerman**

Chief Executive Officer, Continental Title  
Group

## APPENDIX D

### GOVERNOR'S COMMISSION ON SMALL BUSINESS MEETING AGENDA'S

**MARYLAND OF OPPORTUNITY.®**

Department of Business & Economic Development

**Governor's Commission on Small Business (GCSB) Meeting**  
**Monday, September 23, 2013**  
**10 am - 12 pm**  
**World Trade Center - Baltimore**

#### Meeting Agenda

- |             |   |                    |
|-------------|---|--------------------|
| <b>I.</b>   | <b>Welcome/Approval of Minutes</b><br>Ackneil M. Muldrow II, Chairman   | <b>10:00-10:10</b> |
|             | <b>DBED Departmental Update</b><br>Robert Walker, Deputy Secretary, Maryland Department of Business and Economic Development (DBED)   |                    |
| <b>II.</b>  | <b>Presentation: Small Business Export Programs</b><br>Brad Gillenwater, Regional Manager - Asia, Office of International Investment and Trade, Maryland Department of Business and Economic Development (DBED) | <b>10:10-10:40</b> |
| <b>III.</b> | <b>Legislative Initiatives Discussion &amp; Update</b><br>Jay Steinmetz, Chairman, Regulatory and Business Competitiveness Subcommittee<br>Ackneil M. Muldrow II, Chairman                                      | <b>10:40-11:10</b> |
| <b>IV.</b>  | <b>Commission Action Plan</b><br>Ackneil M. Muldrow II, Chairman  | <b>11:10-12:00</b> |

**Governor's Commission on Small Business (GCSB) Meeting  
Monday, January 13, 2014  
10 am - 12 pm  
World Trade Center - Baltimore**

**Meeting Agenda**

- V. Welcome/Approval of Minutes 10:00-10:15**  
Ackneil M. Muldrow II, Chairman
- DBED Departmental Update**  
Robert Walker, Deputy Secretary, DBED
- New Commission Member**  
Ricardo Johnson, CareFirst BlueCross BlueShield
- VI. Presentation: SBA Finance Programs 10:20-10:45**  
Edward Knox, Lead Lender Relations Specialist, Small Business  
Administration - Baltimore Office
- VII. Maryland Workers Compensation Commission Discussion 10:45-11:20**  
Jay Steinmetz, Chairman, Regulatory and Business Competitiveness  
Subcommittee
- VIII. Commission Action Plan 11:20-12:00**  
Ackneil M. Muldrow II, Chairman
- A. Capital Needs**  
Chair: Annie Geiermann
- B. Regulatory and Business Competitiveness**  
Chair: Jay Steinmetz
- C. Enhance Access to Procurement for Small Business**  
Chair: Jorge Restrepo
- D. Workforce Development and Education**  
Chair: Dr. James Dula

# MARYLAND OF OPPORTUNITY.®

Department of Business & Economic Development

**Governor's Commission on Small Business (GCSB) Meeting**  
**Monday, April 7, 2014**  
**10 am - 12 pm**  
**World Trade Center - Baltimore**

## Meeting Agenda

- IX. Welcome/Approval of Minutes** **10:00-10:15**  
Ackneil M. Muldrow II, Chairman
- DBED Departmental Update**  
Robert Walker, Deputy Secretary, DBED
- New Commission Member**  
Sajid N. Tarar, Tarar Group
- X. Presentation: VLT Program** **10:20-10:45**  
Steve Primosch, VP- Financial Services, Anne Arundel Economic  
Development Corp. & Zuly Gonzalez, CEO, Light Point Security.
- XI. Commission Action Plan** **10:45-12:00**  
Ackneil M. Muldrow II, Chairman
- E. Capital Needs**  
Chair: Annie Geiermann
- F. Regulatory and Business Competitiveness**  
Chair: Jay Steinmetz
- G. Enhance Access to Procurement for Small Business**  
Chair: Jorge Restrepo
- H. Workforce Development and Education**  
Chair: Dr. James Dula

## **APPENDIX E**

### **GOVERNOR'S COMMISSION ON SMALL BUSINESS STAFF**

#### **Maryland Department of Business & Economic Development**

##### **Office of Business Development**

**Jayson Knott**, Program Director  
[jknott@choosemaryland.org](mailto:jknott@choosemaryland.org) 410 767-6978

**Elizabeth Affleck Carven**, Deputy Director  
[ecarven@choosemaryland.org](mailto:ecarven@choosemaryland.org) 410 767-8831

**Sean McEvoy**, Director, Small Business Resources  
[smcevoy@choosemaryland.org](mailto:smcevoy@choosemaryland.org) 410 767-5675

# END OF REPORT

**A Report of the Governor's Commission on  
Small Business  
June 2014**

MARYLAND OF OPPORTUNITY.®

Department of Business & Economic Development