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HOUSE BILL NO. 122**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Joint Conference Committee
on March 9, 2006)(Patrons Prior to Substitute—Delegates Marshall R.G. [HB 122], Hall [HB 1069], Jones, D.C. [HB 1227],
and Landes [HB 1376])*A BILL to amend and reenact §§ 2.2-1401 through 2.2-1404, 2.2-1405, 2.2-3705.6, 2.2-4310, 15.2-965.1, and 18.2-213.1 of the Code of Virginia, relating to the Department of Minority Business Enterprise; certification of small, women- or minority-owned businesses.***Be it enacted by the General Assembly of Virginia:****1. That §§ 2.2-1401 through 2.2-1404, 2.2-1405, 2.2-3705.6, 2.2-4310, 15.2-965.1, and 18.2-213.1 of the Code of Virginia are amended and reenacted as follows:**

§ 2.2-1401. Definitions.

As used in this chapter unless the context requires a different meaning:

*"Certification" means the process by which a business or business enterprise is determined to be a small, women- or minority-owned business enterprise for the purpose of reporting small, women-owned, and minority-owned business participation in state contracts and purchases pursuant to §§ 2.2-1404 and 2.2-1405.**"Disadvantaged business enterprise" means a small business concern, as defined in 49 CFR Parts 23 and 26, that is at least 51% owned by one or more socially and economically disadvantaged individuals, or, in the case of any corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership is owned by one or more socially and economically disadvantaged individuals and the management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.**"Minority business enterprise" means a business enterprise that is owned and controlled by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to Blacks, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.**"Minority individual" means an individual who is a citizen of the United States or a legal resident alien and who satisfies one or more of the following definitions:**1. "African American" means a person having origins in any of the original peoples of Africa and who is regarded as such by the community of which this person claims to be a part.**2. "Asian American" means a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands, including but not limited to Japan, China, Vietnam, Samoa, Laos, Cambodia, Taiwan, Northern Marianas, the Philippines, a U.S. territory of the Pacific, India, Pakistan, Bangladesh, or Sri Lanka and who is regarded as such by the community of which this person claims to be a part.**3. "Eskimo or Aleut" means a person having origins in any of the peoples of Northern Canada, Greenland, Alaska, or Eastern Siberia and who is regarded as such in the community of which this person claims to be a part.**4. "Hispanic American" means a person having origins in any of the Spanish-speaking peoples of Mexico, South or Central America, or the Caribbean Islands or other Spanish or Portuguese cultures and who is regarded as such by the community of which this person claims to be a part.**5. "Native American" means a person having origins in any of the original peoples of North America and who is regarded as such by the community of which this person claims to be a part or who is recognized by a tribal organization.**"Minority-owned business" means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.**"Small business" means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.**"State agency" means any authority, board, department, instrumentality, institution, agency, or other unit of state government. "State agency" shall not include any county, city, or town.**"Women-owned business" means a business concern that is at least 51% owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or*HOUSE
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60 *limited liability company or other entity, at least 51% of the equity ownership interest is owned by one*
61 *or more women who are U.S. citizens or legal resident aliens, and both the management and daily*
62 *business operations are controlled by one or more women who are U.S. citizens or legal resident aliens.*

63 § 2.2-1402. Additional powers and duties of Department.

64 The Department shall have the following additional powers and duties:

65 1. Coordinate as consistent with law the plans, programs and operations of the state government that
66 affect or may contribute to the establishment, preservation, and strengthening of *small, women- and*
67 *minority business enterprise-owned businesses.*

68 2. Promote the mobilization of activities and resources of state and local governments, businesses and
69 trade associations, universities, foundations, professional organizations, and volunteer and other groups
70 towards the growth of ~~minority business enterprises~~ *small businesses and businesses owned by women*
71 *and minorities*, and facilitate the coordination of the efforts of these groups with those of state
72 departments and agencies.

73 3. Establish a center for the development, collection, summarization, and dissemination of
74 information that will be helpful to persons and organizations throughout the nation in undertaking or
75 promoting ~~the establishment and successful operation of~~ *procurement from small, women- and minority*
76 *business enterprise-owned businesses.*

77 4. Within constraints of law and availability of funds, and according to the Director's discretion,
78 provide technical and management assistance to *small, women- and minority business enterprises-owned*
79 *businesses*, and defray all or part of the costs of pilot or demonstration projects that are designed to
80 overcome the special problems of *small, women- and minority business enterprises-owned businesses.*

81 5. Manage the Capital Access Fund for Disadvantaged Businesses created pursuant to § 2.2-2311,
82 and, in cooperation with the Small Business Financing Authority, determine the qualifications, terms,
83 and conditions for the use of such Fund.

84 6. *Implement any remediation or enhancement measure for small, women- or minority-owned*
85 *businesses as may be authorized by the Governor pursuant to subsection C of 2.2-4310 and develop*
86 *regulations, consistent with prevailing law, for program implementation. Such regulations shall be*
87 *developed in consultation with the state agencies with procurement responsibility and promulgated by*
88 *those agencies in accordance with applicable law.*

89 § 2.2-1403. Powers of Director.

90 As deemed necessary or appropriate to better fulfill the duties of the Department, the Director may:

91 1. With the participation of other state departments and agencies, develop comprehensive plans and
92 specific program goals for the *small, women- and minority enterprise program-owned business*
93 *programs*; establish regular performance monitoring and reporting systems to assure that goals of *state*
94 *agencies and institutions* are being achieved; and evaluate the impact of federal and state support in
95 achieving objectives.

96 2. Employ the necessary personnel and/or subcontract according to his discretion, with localities to
97 supplement the functions of business development organizations.

98 3. Assure the coordinated review of all proposed state training and technical assistance activities in
99 direct support of the *small, women- and minority enterprise program -owned business programs* to
100 ensure consistency with program goals and to avoid duplication.

101 4. Convene, for purposes of coordination, meetings of the heads of departments and agencies, or their
102 designees, whose programs and activities may affect or contribute to the purposes of this chapter.

103 5. Convene business leaders, educators, and other representatives of the private sector who are
104 engaged in assisting the development of *small, women- and minority-owned business enterprise*
105 *programs* or who could contribute to its development, for the purpose of proposing, evaluating or
106 coordinating governmental and private activities in furtherance of the objectives of this chapter.

107 6. Provide the managerial and organizational framework through which joint undertakings with state
108 departments or agencies or private organizations can be planned and implemented.

109 7. Recommend appropriate legislative or executive actions.

110 8. Adopt ~~reasonable regulations in accordance with the Administrative Process Act (§ 2.2-4000 et~~
111 ~~seq.)~~ to implement a certification ~~program~~ *programs* for *small, women- and minority business*
112 *enterprises-owned businesses*, which regulations shall be exempt from the Administrative Process Act
113 (*§ 2.2-4000 et seq.*) pursuant to subdivision B 2 of § 2.2-4002. Such certification ~~process~~ *programs* shall
114 ~~include consideration of other states' laws that may deny certification to vendors from states that deny~~
115 ~~like certifications to Virginia-based small, women- or minority business enterprises and that may -owned~~
116 ~~businesses or that provide a preference for small, women- or minority business enterprises -owned~~
117 ~~businesses based in that state that is not available to Virginia-based businesses. The regulations shall (i)~~
118 ~~establish minimum requirements for certification of small, women- and minority-owned businesses; (ii)~~
119 ~~provide a process for evaluating existing local, state, private sector, and federal certification programs~~
120 ~~that meet the minimum requirements; and (iii) mandate certification, without any additional paperwork~~
121 ~~or fee, of any prospective state vendor that has obtained certification under any certification program~~

that is determined to meet the minimum requirements established in the regulations.

9. Establish an interdepartmental board in accordance with § 2.2-1404 to supply the Director with information useful in promoting minority business activity.

§ 2.2-1404. Interdepartmental Board; cooperation with Department.

A. The Interdepartmental Board established by the Director shall be composed of heads of the several departments and agencies of state government or their respective designees, whose functions affect *small, women- and minority business enterprise-owned businesses*. The participating departments and agencies shall be determined by the Director of the Department. The Interdepartmental Board shall meet at the call of the Director and shall supply the Director with information useful in promoting *small, women- and minority-owned business activity*.

B. The head of each participating state department and agency or their designees shall furnish information, assistance, and reports to, and shall otherwise cooperate with, the Director in the performance of his duties as needed.

C. The head of each participating state department or agency shall, when so requested by the Director, designate an assistant or such other similar official to have primary and continuing responsibility for the participation and cooperation of that department or agency in matters concerning *small, women- and minority business enterprise-owned businesses*.

D. Each participating state department or agency shall, within constraints of law and availability of funding, continue all current efforts to foster and promote minority business enterprises and to support the *small, women- and minority-owned business program programs*, and shall cooperate with the Director in increasing the total state effort.

§ 2.2-1405. Reports and recommendations; collection of data.

The Director shall, from time to time, submit directly or through an assistant to the Governor his recommendations for legislation or other action as he deems desirable to promote the purposes of this chapter.

The Director shall report, on or before November 1 of each year, to the Governor and the General Assembly the identity of the state departments and agencies failing to submit annual progress reports on *small, women- and minority-owned business procurement* required by § 2.2-4310, and the nature and extent of such lack of compliance. The annual report shall include recommendations on the ways to improve compliance with the provisions of § 2.2-4310 and such other related matters as the Director deems appropriate.

The Director, with the assistance of the Comptroller, shall develop and implement a systematic data collection process that will provide information for a report to the Governor and General Assembly on state expenditures to *small, women- and minority business enterprises -owned businesses* during the previous fiscal year.

§ 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.

The following records are excluded from the provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law:

1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1.

2. Financial statements not publicly available filed with applications for industrial development financings in accordance with Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2.

3. Confidential proprietary records, voluntarily provided by private business pursuant to a promise of confidentiality from the Department of Business Assistance, the Virginia Economic Development Partnership, the Virginia Tourism Authority, or local or regional industrial or economic development authorities or organizations, used by the Department, the Partnership, the Authority, or such entities for business, trade and tourism development; and memoranda, working papers or other records related to businesses that are considering locating or expanding in Virginia, prepared by such entities, where competition or bargaining is involved and where, if such records are made public, the financial interest of the governmental unit would be adversely affected.

4. Information that was filed as confidential under the Toxic Substances Information Act (§ 32.1-239 et seq.), as such Act existed prior to July 1, 1992.

5. Fisheries data that would permit identification of any person or vessel, except when required by court order as specified in § 28.2-204.

6. Confidential financial statements, balance sheets, trade secrets, and revenue and cost projections provided to the Department of Rail and Public Transportation, provided such information is exempt under the federal Freedom of Information Act or the federal Interstate Commerce Act or other laws administered by the Surface Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to the Surface Transportation Board and the Federal Railroad Administration.

7. Confidential proprietary records related to inventory and sales, voluntarily provided by private

183 energy suppliers to the Department of Mines, Minerals and Energy, used by that Department for energy
184 contingency planning purposes or for developing consolidated statistical information on energy supplies.

185 8. Confidential proprietary information furnished to the Board of Medical Assistance Services or the
186 Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of
187 Chapter 10 of Title 32.1.

188 9. Proprietary, commercial or financial information, balance sheets, trade secrets, and revenue and
189 cost projections provided by a private transportation business to the Virginia Department of
190 Transportation and the Department of Rail and Public Transportation for the purpose of conducting
191 transportation studies needed to obtain grants or other financial assistance under the Transportation
192 Equity Act for the 21st Century (P.L. 105-178) for transportation projects, provided such information is
193 exempt under the federal Freedom of Information Act or the federal Interstate Commerce Act or other
194 laws administered by the Surface Transportation Board or the Federal Railroad Administration with
195 respect to data provided in confidence to the Surface Transportation Board and the Federal Railroad
196 Administration. However, the exemption provided by this subdivision shall not apply to any wholly
197 owned subsidiary of a public body.

198 10. Confidential information designated as provided in subsection D of § 2.2-4342 as trade secrets or
199 proprietary information by any person who has submitted to a public body an application for
200 prequalification to bid on public construction projects in accordance with subsection B of § 2.2-4317.

201 11. Confidential proprietary records that are voluntarily provided by a private entity pursuant to a
202 proposal filed with a public entity or an affected local jurisdiction under the Public-Private
203 Transportation Act of 1995 (§ 56-556 et seq.) or the Public-Private Education Facilities and
204 Infrastructure Act of 2002 (§ 56-575.1 et seq.), pursuant to a promise of confidentiality from the
205 responsible public entity or affected local jurisdiction, used by the responsible public entity or affected
206 local jurisdiction for purposes related to the development of a qualifying transportation facility or
207 qualifying project; and memoranda, working papers or other records related to proposals filed under the
208 Public-Private Transportation Act of 1995 or the Public-Private Education Facilities and Infrastructure
209 Act of 2002, where, if such records were made public, the financial interest of the public or private
210 entity involved with such proposal or the process of competition or bargaining would be adversely
211 affected. In order for confidential proprietary information to be excluded from the provisions of this
212 chapter, the private entity shall (i) invoke such exclusion upon submission of the data or other materials
213 for which protection from disclosure is sought, (ii) identify the data or other materials for which
214 protection is sought, and (iii) state the reasons why protection is necessary. For the purposes of this
215 subdivision, the terms "affected local jurisdiction," "public entity" and "private entity" shall be defined
216 as they are defined in the Public-Private Transportation Act of 1995 or in the Public-Private Education
217 Facilities and Infrastructure Act of 2002. However, nothing in this subdivision shall be construed to
218 prohibit the release of procurement records as required by § 56-573.1 or 56-575.16. Procurement records
219 shall not be interpreted to include proprietary, commercial or financial information, balance sheets,
220 financial statements, or trade secrets that may be provided by the private entity as evidence of its
221 qualifications.

222 12. Confidential proprietary information or trade secrets, not publicly available, provided by a private
223 person or entity to the Virginia Resources Authority or to a fund administered in connection with
224 financial assistance rendered or to be rendered by the Virginia Resources Authority where, if such
225 information were made public, the financial interest of the private person or entity would be adversely
226 affected, and, after June 30, 1997, where such information was provided pursuant to a promise of
227 confidentiality.

228 13. Confidential proprietary records that are provided by a franchisee under § 15.2-2108 to its
229 franchising authority pursuant to a promise of confidentiality from the franchising authority that relates
230 to the franchisee's potential provision of new services, adoption of new technologies or implementation
231 of improvements, where such new services, technologies or improvements have not been implemented
232 by the franchisee on a nonexperimental scale in the franchise area, and where, if such records were
233 made public, the competitive advantage or financial interests of the franchisee would be adversely
234 affected. In order for confidential proprietary information to be excluded from the provisions of this
235 chapter, the franchisee shall (i) invoke such exclusion upon submission of the data or other materials for
236 which protection from disclosure is sought, (ii) identify the data or other materials for which protection
237 is sought, and (iii) state the reason why protection is necessary.

238 14. Documents and other information of a proprietary nature furnished by a supplier of charitable
239 gaming supplies to the Department of Charitable Gaming pursuant to subsection E of § 18.2-340.34.

240 15. Records and reports related to Virginia apple producer sales provided to the Virginia State Apple
241 Board pursuant to §§ 3.1-622 and 3.1-624.

242 16. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) of Title 59.1,
243 submitted by CMRS providers as defined in § 56-484.12 to the Wireless Carrier E-911 Cost Recovery
244 Subcommittee created pursuant to § 56-484.15, relating to the provision of wireless E-911 service.

17. Records submitted as a grant application, or accompanying a grant application, to the Commonwealth Health Research Board pursuant to Chapter 22 (§ 23-277 et seq.) of Title 23 to the extent such records contain proprietary business or research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical or scholarly issues, when such information has not been publicly released, published, copyrighted or patented, if the disclosure of such information would be harmful to the competitive position of the applicant.

18. Confidential proprietary records and trade secrets developed and held by a local public body (i) providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable television services pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 2 of Title 15.2, to the extent that disclosure of such records would be harmful to the competitive position of the locality. In order for confidential proprietary information or trade secrets to be excluded from the provisions of this chapter, the locality in writing shall (i) invoke the protections of this subdivision, (ii) identify with specificity the records or portions thereof for which protection is sought, and (iii) state the reasons why protection is necessary.

19. Confidential proprietary records and trade secrets developed by or for a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) to provide qualifying communications services as authorized by Article 5.1 (§ 56-484.7:1 et seq.) of Chapter 15 of Title 56, where disclosure of such information would be harmful to the competitive position of the authority, except that records required to be maintained in accordance with § 15.2-2160 shall be released.

20. *Trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) or financial records of a business, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, provided to the Department of Minority Business Enterprise as part of an application for (i) certification as a small, women- or minority-owned business in accordance with Chapter 14 (2.2-1400 et seq.) of this title or (ii) a claim made by a disadvantaged business or an economically disadvantaged individual against the Capital Access Fund for Disadvantaged Businesses created pursuant to § 2.2-2311. In order for such trade secrets or financial records to be excluded from the provisions of this chapter, the business shall (a) invoke such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (b) identify the data or other materials for which protection is sought, and (c) state the reasons why protection is necessary.*

§ 2.2-4310. Discrimination prohibited; participation of small, women- and minority-owned business.

A. In the solicitation or awarding of contracts, no public body shall discriminate against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment. Whenever solicitations are made, each public body shall include businesses selected from a list made available by the Department of Minority Business Enterprise.

B. All public bodies shall establish programs consistent with this chapter to facilitate the participation of small businesses and businesses owned by women and minorities in procurement transactions. The programs established shall be in writing and shall include cooperation with the Department of Minority Business Enterprise, the United States Small Business Administration, and other public or private agencies comply with the provisions of any enhancement or remedial measures authorized by the Governor pursuant to subsection C or, where applicable, by the chief executive of a local governing body pursuant to § 15.2-965.1, and shall include specific plans to achieve any goals established therein. State agencies shall submit annual progress reports on small, women- and minority-owned business procurement to the Department of Minority Business Enterprise in a form specified by the Department of Minority Business Enterprise.

C. Whenever there exists (i) a rational basis for small business enhancement or (ii) a persuasive analysis that documents a statistically significant disparity between the availability and utilization of women- and minority-owned businesses, the Governor is authorized and encouraged to require state agencies to implement appropriate enhancement or remedial measures consistent with prevailing law. For the purposes of this subsection, "state agency" means any authority, board, department, instrumentality, institution, agency or other unit of state government. "State agency" shall not include any county, city or town.

D. In the solicitation or awarding of contracts, no state agency, department or institution shall discriminate against a bidder or offeror because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest.

E. As used in this section:

"Minority individual" means an individual who is a citizen of the United States or a legal resident

alien and who satisfies one or more of the following definitions:

1. "African American" means a person having origins in any of the original peoples of Africa and who is regarded as such by the community of which this person claims to be a part.

2. "Asian American" means a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands, including but not limited to Japan, China, Vietnam, Samoa, Laos, Cambodia, Taiwan, Northern Marianas, the Philippines, a U.S. territory of the Pacific, India, Pakistan, Bangladesh, or Sri Lanka and who is regarded as such by the community of which this person claims to be a part.

3. "Eskimo or Aleut" means a person having origins in any of the peoples of Northern Canada, Greenland, Alaska, or Eastern Siberia and who is regarded as such in the community of which this person claims to be a part.

4. "Hispanic American" means a person having origins in any of the Spanish-speaking peoples of Mexico, South or Central America, or the Caribbean Islands or other Spanish or Portuguese cultures and who is regarded as such by the community of which this person claims to be a part.

5. "Native American" means a person having origins in any of the original peoples of North America and who is regarded as such by the community of which this person claims to be a part or who is recognized by a tribal organization.

"Minority-owned business" means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

"Small business" means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.

"State agency" means any authority, board, department, instrumentality, institution, agency, or other unit of state government. "State agency" shall not include any county, city, or town.

"Women-owned business" means a business concern that is at least 51% owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are U.S. citizens or legal resident aliens, and both the management and daily business operations are controlled by one or more women who are U.S. citizens or legal resident aliens.

§ 15.2-965.1. Participation of small, women- and minority-owned businesses.

A. Any locality may enact an ordinance providing that whenever there exists (i) a rational basis for small business enhancement, or (ii) a persuasive analysis that documents a statistically significant disparity between the availability and utilization of women- and minority-owned businesses, the chief executive of the local governing entity shall be authorized and encouraged to require implementation of appropriate enhancement and remedial measures consistent with prevailing law.

B. A small, women- or minority-owned business that is certified by the Department of Minority Business Enterprises pursuant to § 2.2-1403 shall not be required by any locality to obtain any additional certification to participate in any program designed to enhance the participation of such businesses as vendors or to remedy any documented disparity.

§ 18.2-213.1. Obtaining certification as small, women- or minority-owned business, or disadvantaged business enterprise by deception; penalty.

A. Except as otherwise provided by § 18.2-498.3, a person shall be guilty of a Class 1 misdemeanor if, in the course of business, he:

1. Fraudulently obtains or retains certification as a ~~minority~~ small, women- or minority-owned business or disadvantaged business enterprise;

2. Willfully makes a false statement knowing it to be untrue, whether by affidavit, report or other representation, to an official or employee of a public body for the purpose of influencing the certification or denial of certification of any business entity as a small, women- or minority-owned business, or disadvantaged business enterprise;

3. Willfully obstructs or impedes any agency official or employee who is investigating the qualifications of a business entity which has requested certification as a small, women- or minority-owned business, or disadvantaged business enterprise; or

4. Fraudulently obtains public moneys reserved for or allocated or available to small, women- or minority-owned businesses or disadvantaged business enterprises.

B. For the purposes of this section, "disadvantaged business enterprise," "minority-owned business enterprise," and "small business" and "women-owned business" shall have the same meaning as those terms are defined in § 2.2-1400 and "disadvantaged business enterprise" means a small business that is both owned and controlled by minorities or by women. This means that minorities or women must own

368 fifty-one percent of the business, and that they must control the management and daily operations of the
369 business. Minorities include Blacks, Hispanics, Asian Americans, American Indians and Alaskan Natives
370 and members of other groups or other individuals who the Small Business Administration (SBA) has
371 determined are economically and socially disadvantaged under Section 8 (a) of the Small Business Act
372 2.2-1401.