



U.S. Small Business
Administration

**The SBA works to ignite change and spark action
so small businesses can confidently**



START • GROW • EXPAND • RECOVER

Increasing Your Confidence & Business Smarts



THE SBA RESOURCE PARTNER NETWORK

Access the right tools at the right time—wherever you are.



Approved and funded by the SBA



1,400+ partner offices nationwide



Find local resource partners near you at [SBA.gov/local-assistance](https://www.sba.gov/local-assistance)



QUALIFY FOR FEDERAL CONTRACTS WITH CERTIFICATIONS



The SBA works with federal agencies to award at least 23% of all prime government contracting dollars each year to small businesses that are certified with the **SBA's contracting programs**. Programs include:

8(a) Business Development Program

Historically Underutilized Business Zones (HUBZone) Program

Women-Owned Small Business (WOSB) Program

Service-Disabled Veteran-Owned Program

Learn more and determine your eligibility at

[beta.certify.SBA.gov](https://beta.certify.sba.gov)



Who Can Help?

If you are looking to expand with government contracting, PTACs can help:

- **Determine if your business is ready** for federal contracting
- **Help you register in the proper places** to get involved in the government marketplace
- **See if you're eligible** for certifications

Procurement Technical Assistance Centers

5825 University Research Court
Suite 130
College Park, MD 20740
(301) 403-2740
www.mdptac.org



NEED A BUSINESS LOAN TO START, GROW, OR EXPAND?



The SBA works with approved lenders to offer **microloans** and **SBA-backed loans** with:

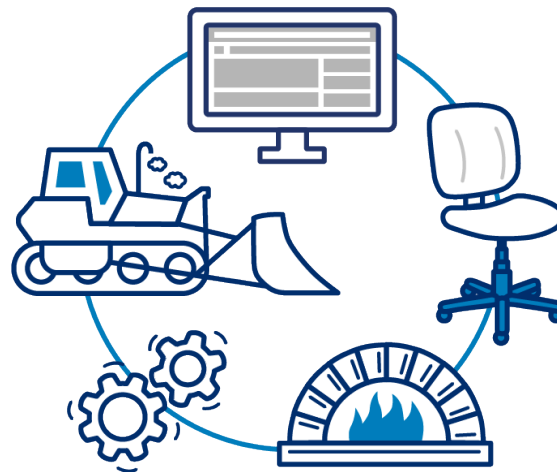
- Competitive terms
- Lower down payments
- Flexible overhead requirements
- Counseling and education



HOW CAN AN SBA-BACKED LOAN HELP YOU?



- Launch, grow, or repair a start-up
- Start or purchase a small business
- Access revolving credit or working capital for day-to-day expenses



- Purchase, renovate, or expand facilities
- Purchase inventory, equipment, or machinery
- Purchase land or real estate
- Export a product or service

LENDER MATCH



Find an SBA-approved lender that's right for you by visiting

[SBA.gov/lendermatch](https://www.sba.gov/lendermatch)



INTERESTED IN INTERNATIONAL TRADE OR EXPORTING?



Nearly 96 percent of consumers live outside the U.S.



Two-thirds of the world's purchasing power is in foreign countries



Evaluate your readiness & learn more by visiting [SBA.gov/exporting](https://www.sba.gov/exporting)



WHO CAN HELP?

If you are looking to go global with international trade, contact the Baltimore USEAC to:

- **Explore** the process of exporting
 - **Get help** with export financing and transactions
-



US Export Assistance Centers (USEAC)

Baltimore Location
300 W. Pratt Street
Suite 300
Baltimore MD 21201
410-962-4539



Questions?

Tonia McCoy

Economic Development Specialist

tonia.mccoy@sba.gov



Resources for Small Businesses



Governor's Office of Small, Minority & Women Business Affairs

The Governor's Office of Small, Minority & Women Business Affairs primary role is to connect the small business community to greater economic opportunities in both the public and private sectors.



State Procurement Programs

Government procurement is the process by which the government acquires the goods and services it needs by purchasing from commercial businesses.

Programs:

- Maryland's Minority Business Enterprise (MBE) Program
- The Small Business Reserve (SBR)
- Veteran-Owned Small Business Enterprise (VSBE)

Maryland's Minority Business Enterprise (MBE) Program

<https://gomdsmallbiz.maryland.gov>

MBE Program seeks to help create solutions to prevent discrimination for small minority- and women-owned businesses within the state contracting arena.

Maryland's overall statewide MBE participation:

- Has a current goal of 29 percent.
- 70 state agencies and departments participate in the MBE Program.
- While certification is not required in order to do business with the state, only certified firms can meet the MBE goals set on state contracts. Certified firms are listed in an online directory.



The Maryland's Minority Business Enterprise (MBE) Program

- The participating agencies and departments examine their procurements and set specific minority participation goals on a contract-by-contract basis.
- Procedures are followed to assure that an award of a contract is not made until a prime contractor has met the established MBE goal(s) by subcontracting with a certified small, minority- or women-owned firm(s), or has demonstrated a good faith effort to meet those goal(s).
- The Office of Minority Business Enterprise, a division of the Maryland Department of Transportation (MDOT), is the state's official certification agency. To determine if you meet the program's five key eligibility standards and to download the application, visit the [Minority/Disadvantaged Business Enterprise](#) tab of the MDOT website.

The Small Business Reserve (SBR)

<https://gomdsmallbiz.maryland.gov>



SBR Program is a race and gender neutral program that requires participating state agencies to direct 15 percent of their spending with registered SBR vendors. In this unique marketplace, small business competes against other small businesses for opportunities to perform as prime contractors.

Veteran-Owned Small Business Enterprise (VSBE)

<https://gomdsmallbiz.maryland.gov>

Maryland's VSBE Program provides contracting opportunities on state-funded procurements for qualified veteran-owned small businesses.

Designated agencies and departments are directed to spend at least 1% of the dollar value of their procurement contracts with certified VSBE firms.





eMaryland Marketplace Advantage (eMMA)

<https://procurement.maryland.gov/>

<https://emma.maryland.gov>

eMaryland Marketplace Advantage is the online procurement system that is used to connect businesses to contracting opportunities from state, county and local government entities.

When registering as a new vendor on eMMA, look for the section titled **Procurement Programs, State Programs, and navigate to the appropriate program.** A business must be registered in eMMA in order to receive an award from the State of Maryland.

Vendors have the ability on eMMA to:

- ✓ Complete the Small Business Reserve (SBR) self-certification
- ✓ Receive notice of bid opportunities
- ✓ Search for contracting opportunities
- ✓ Submit bids electronically
- ✓ Obtain bid results online

eMaryland Marketplace Advantage (eMMA)

Once registered on [eMaryland Marketplace](#) as a vendor, you can monitor the email notifications you receive to determine what agencies buy what you sell, at what frequency, and at what dollar amounts.

[Annual procurement forecasts](#) are also available for new or recurring procurements expected to exceed \$100,000.

The reports can be found on Governor's Office of Small, Minority & Women Business Affairs' website. The reports contain:

- a description of the scope of work
- the procurement category,
- the procurement method,
- the estimated advertisement date and
- the name and contact information of the procurement officer



Maryland Department of Housing and Community Development

Small businesses and startups in Maryland can get help to grow through a range of financing programs available from the Maryland Department of Housing and Community Development.

<https://dhcd.maryland.gov/Business/Pages/default.aspx>

Programs from the Maryland Department of Housing and Community Development are designed to support lending and financing through traditional lenders and can make the difference between a project launching or not.

Financing opportunities:

➤ Loan Participations:

Allows Bank/CDFI to reduce borrower exposure and/or increase loan amount

➤ Collaborative Financing:

Pair Neighborhood BusinessWorks with Bank/CDFI financing for permanent take-outs, bridge loans, construction loans, etc.

➤ Credit Enhancement and Guarantees:

Risk reduction opportunity for key investments



Financing opportunities:

These programs are available to businesses that are located or will be located in [Maryland's Sustainable Communities](#) and Priority Funding Areas.

- ✓ [Neighborhood BusinessWorks](#)
- ✓ [Microenterprise Loan](#)
- ✓ [Linked Deposit](#)
- ✓ [Maryland Capital Access Program](#)



WHAT ARE SUSTAINABLE COMMUNITIES?

The 2010 Sustainable Communities Act defines Sustainable Community Areas as places where public and private investments and partnerships achieve:

- **Development of a healthy local economy;**
- **Protection and appreciation of historical and cultural resources;**
- **A mix of land uses;**
- **Affordable and sustainable housing, and employment options;**
- **Growth and development practices that protect the environment and conserve air, water and energy resources, encourage walkability and recreational opportunities, and where available, create access to transit.**

Maryland Department of Housing and Community Development - PROJECT RESTORE

Governor Hogan recently announced a \$25 million initiative to revitalized downtowns and Main Streets. Project Restore will provide financial support to Maryland’s small businesses and commercial developers re-occupying or investing in vacant commercial and retail space.

Through **Project Restore**, the [Maryland Department of Housing and Community Development](#) will offer:

- **rental grants and sales tax relief rebates to help offset startup costs and incentivize commercial investment in vacant spaces. Businesses that begin new or expanded operations in spaces that have not been generating sales tax receipts for the past six months or more will be eligible for the program.**



Maryland Department of Housing and Community Development - PROJECT RESTORE

Who is Eligible:

- Small businesses of 50 or fewer employees will be eligible for additional benefits.

Available Incentives:

- Sales tax relief rebates equal to the business' sales tax receipts for the 12 month period, with a maximum of \$250,000 per year.
- Businesses in Tier 1 counties—which includes Baltimore City and any Opportunity Zone in Maryland—will be eligible to receive the rebate for two years of operation.
- Businesses in Tier 2 counties will be eligible to receive the rebate for the first full year of operation.

Additionally, small business applicants will be eligible for rental subsidies of \$2,500 per month for 12 months—up to \$30,000—to help offset start-up costs during the first year.

Eligibility Guidelines: To qualify for Project Restore, eligible entities must begin new or expanded operations in space that has not been generating sales tax receipts for the past six months or more. All applicants commit to occupying the space for a minimum of 12 months following receipt of the grant. For more information on Project Restore, visit: dhcd.maryland.gov/ProjectRestore

For more information about what resources are available from Maryland Department of Housing and Community Development, contact:

**Mike Haloskey, Director of Business Lending Programs
Maryland Department of Housing and Community Development**

Michael.Haloskey@maryland.gov

(301) 429-7523



Maryland Department of Commerce

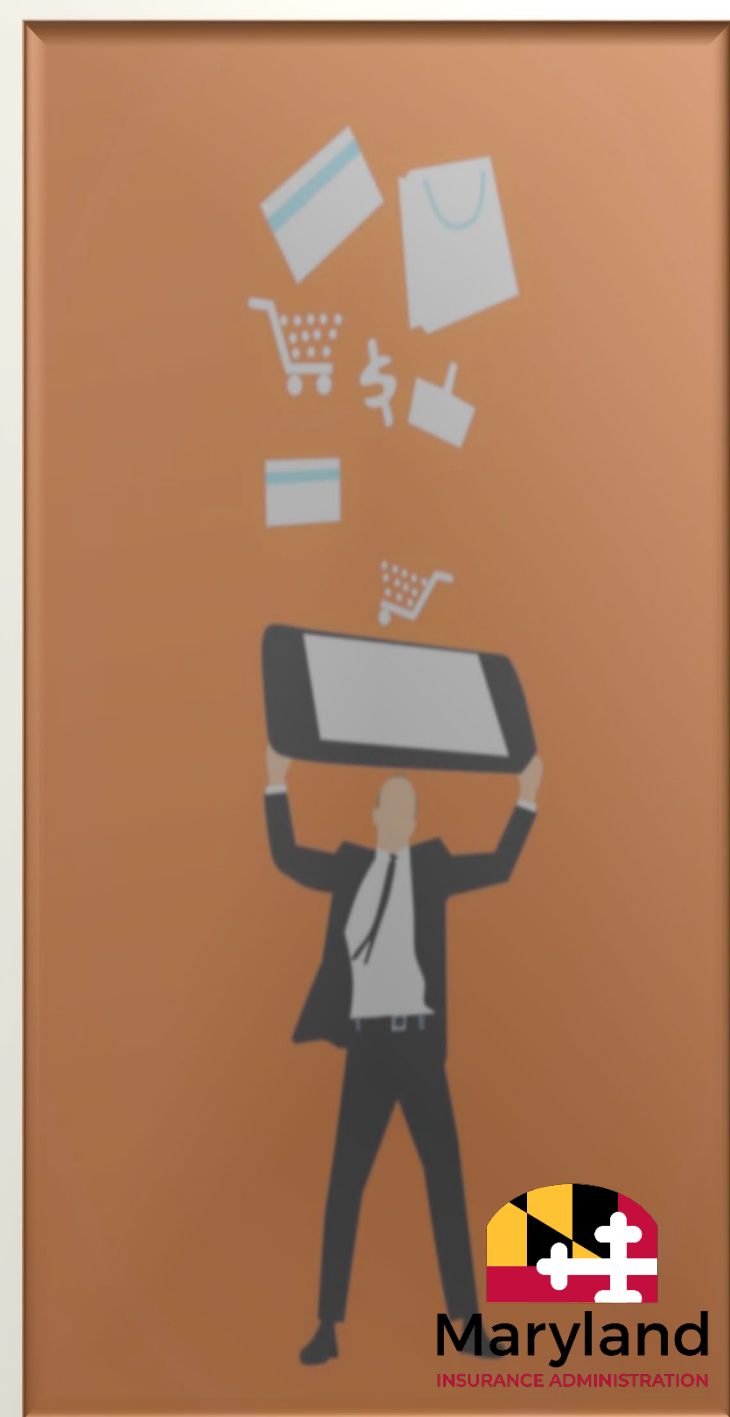
<https://commerce.maryland.gov/fund>

Maryland Financial Incentives for Businesses

Accessing capital and securing financing are essential to start or grow a business. Maryland Department of Commerce offers programs to attract new companies to the state, encourage expansions and job creation, and revitalize our economy.

These programs offer:

- Venture capital investments
- Tax credits
- Direct loans
- Grants
- Loan guarantees



Commerce Small Business Resource Contacts:

Allyson Redpath
Director of Entrepreneurship & Small Business
(410) 767-6799
Allyson.redpath@maryland.gov

Tonya Wigfall
Minority Business Outreach Director
(410) 767-6869
Tonya.wigfall@maryland.gov





Maryland

INSURANCE ADMINISTRATION

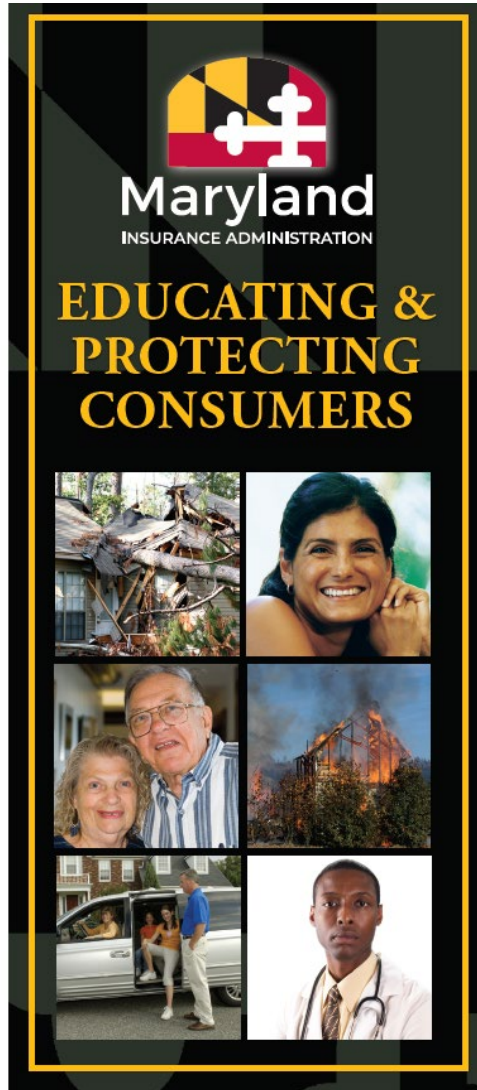
What Small Business Owners Need to Know about Insurance

Joy Hatchette, Associate Commissioner
Consumer Education and Advocacy Unit
joy.hatchette@maryland.gov

Agenda

- Maryland Insurance Administration
- Introduction to Commercial Insurance
- What Type Automobile Policy Do You Need for Vehicles for Your Business
- What Type of Insurance Do You Need for Your Physical Space and Equipment
- What Type of Insurance Do You Need If You Can't Operate Your Business
- What Type of Insurance Do you Need If Someone Is Injured Related to the Operation of Your Business
- Cyber Liability Insurance
- Flood Insurance
- Business Owners Policy: A Package Solution
- Home-Based Business Insurance
- Tips and Considerations

What is the Maryland Insurance Administration



The Maryland Insurance Administration (MIA) is the state agency that regulates insurance in Maryland. The MIA:

- Licenses insurers and insurance producers (agents or brokers).
- Examines the business practices of licensees to ensure compliance.
- Monitors solvency of insurers.
- Reviews/approves insurance policy forms.
- Reviews insurance rates to ensure rates are not inadequate, excessive or unfairly discriminatory.
- Investigates consumer and provider complaints and allegations of fraud.



What is the Maryland Insurance Administration

If you feel that your insurer or insurance producer acted improperly, you have the right to file a complaint. Examples of improper actions include:

- Improperly denying or delaying payment of all or portions of a claim;
- Improperly terminating your insurance policy;
- Raising your insurance premiums without proper notice;
- Making false statements to you in connection with the sale of insurance or processing of insurance claims; and
- Overcharging you for services, including premium finance charges.



Introduction to Commercial Insurance

Many kinds of insurance are available to businesses. Which one you should purchase depends upon the individual risk characteristics of your business and the type(s) of loss you want to insure against.

A licensed insurance producer will be able to present you with different policy and coverage options. It is very important that the insurance producer understands the nature of your business so that they are able to evaluate the risk and provide you with the appropriate options.



Introduction to Commercial Insurance

While your business may not need all types of commercial coverages, it is a good idea to have basic knowledge of the types of insurance coverages available. As your business changes and expands, you should reassess your coverages and determine what additional coverages you may wish to purchase. This is particularly true if your business grows and new risk exposures arise.

What Type Automobile Policy Do You Need for Vehicles for Your Business

Do you Need a Commercial or Personal Auto Policy?

- While personal and commercial auto insurance policies provide similar types of coverage, there are important distinctions. Commercial auto insurance policies typically have higher liability limits than a personal automobile liability insurance policy. For example, a typical commercial auto policy may have a liability limit of \$1 million. A commercial auto liability insurance policy also may have provisions that cover rented and other non-owned vehicles, such as employee-owned vehicles that are driven for company business.

What Type Automobile Policy Do You Need for Vehicles for Your Business

Several factors should be considered when determining whether a personal or commercial policy is appropriate. These include:

- Who owns or leases the vehicle, you or the business as an entity? Who drives the vehicle, you or your employees?
- How is the vehicle principally used, for transporting people, delivering packages or carrying hazardous materials?



What Type Automobile Policy Do You Need for Vehicles for Your Business

Do you allow your employees to take the vehicle home or is its use restricted to work hours?

Discuss these issues with a licensed insurance producer who is knowledgeable about commercial and personal auto insurance. Also, consider purchasing collision and comprehensive (coverage for losses other than collision) coverage to protect your business from losses and damage to your vehicle.

Banks and other financial institutions with a security interest in your vehicle will require both comprehensive and collision coverage to protect their interest in the vehicle.

What Type Automobile Policy Do You Need for Vehicles for Your Business

Tips and Considerations Concerning Commercial Auto Insurance:

- If your business owns or leases a vehicle, make sure the name of the business is listed on the policy declarations page as the insured.
- If you are relying on either a personal auto or personal umbrella liability insurance policy to provide you with protection for your company's use of vehicles, closely review the policy language. Many personal insurance policies exclude business-related liability claims.

What Type Automobile Policy Do You Need for Vehicles for Your Business

More Tips and Considerations Concerning Commercial Auto Insurance:

- If your employees operate a company car, make sure they have good driving records and are trained properly before you entrust your company vehicle to them. Failure to do so may expose your company to additional liability. The risk presented by your employees may exceed the company's underwriting guidelines and prevent you from getting insurance with the company you desire.
- Consider increasing insurance on your business vehicle(s) to cover permanently attached items, such as a generator or a storage unit.

What Type of Insurance Do You Need for Your Physical Space and Equipment

Property insurance protects small business owners from losses due to damage to their business property, including the business' physical space or equipment. For insurance purposes, business property includes the physical building in which the business resides, assuming the business owns the building, as well as the property owned by the business that is located within the building and other assets of the business.

What Type of Insurance Do You Need for Your Physical Space and Equipment

While the terms of coverage, and the specific property covered, depends upon the specific language of the policy you obtain, the following types of property may be considered business property:

- the building or physical plant where the business is located;
- inventory;
- furniture, equipment and supplies;
- machinery;
- computers and other data processing equipment;
- valuable papers, books and documents;
- antiques and artwork;
- televisions, VCRs, DVD players, and satellite dishes;
- signs, fences and outdoor property not attached to a building; or
- intangible items such as trademarks, copyrights and other intellectual property.

What Type of Insurance Do You Need for Your Physical Space and Equipment

There are three types of property insurance plans:

- Basic form, which provides coverage for losses resulting from a fire, lightning, windstorm, hail and explosion, plus the cost of removing property to protect it from further damage.
- Broad form, which includes the coverages described above, plus extended coverage for other types of perils, such as a roof collapse due to snow or ice, or broken windows caused by a riot and civil commotion.
- Special form, which includes the basic and broad coverages, as well as all direct physical losses except those conditions specifically excluded in the policy.

What Type of Insurance Do You Need for Your Physical Space and Equipment

With property insurance, you can purchase either actual cash value (ACV) or replacement cost value (RCV) coverage. ACV insurance reimburses you for the value of lost, damaged or stolen goods after depreciation is taken into consideration. RCV insurance reimburses you the amount it would take to replace, rebuild or repair damages with materials of similar kind and quality, without any deduction for depreciation.

What Type of Insurance Do You Need If You Can't Operate Your Business

Business interruption insurance, also known as business continuation insurance, provides coverage for expenses associated with running a business, such as payroll and utility bills, when the business is unable to operate for an extended period of time because of a fire, or other type of loss as specified in the policy. While the policy will specify how such expenses are to be determined and how many days coverage will be provided, the amount of coverage is typically based on the company's financial records.

Business Interruption/Continuation Insurance

Business interruption/continuation coverage can be added to a property insurance policy or purchased as part of a package insurance product. Even if you purchase business interruption coverage, you should be aware that this type of coverage typically is not triggered until a specified period of time has passed following a covered loss that results in the interruption of the business. That time period will be set forth in your policy.

What Type of Insurance Do you Need If Someone Is Injured Related to the Operation of Your Business

Liability Insurance, also called Commercial General Liability (CGL) insurance, protects your business against the economic loss and expense associated with claims filed against your business for bodily injury, property damage, injury to reputation caused by slander and libel, and also the harm caused by false or misleading advertising. Bodily injury claims include claims for damage that results when someone falls while visiting your business or one of your products falls on the person. It can, depending on the language of the policy, also include coverage for claims of damage that occurs as a result of your business operations. For example, if your business serves food, this may include the cost of medical tests to detect hepatitis because of contamination due to food-handling.



What Type of Insurance Do you Need If Someone Is Injured Related to the Operation of Your Business

Property damage includes property belonging to someone else that is physically damaged or lost by your business. Whether a particular loss or expense is covered, will depend on the source of damage and the language of your policy. For example, damage to business inventory belonging to another person or business while in your possession, may be a covered loss if it is damaged from an accidental fire, but the same damage might not be covered if the inventory is damaged by flood waters and the policy does not provide coverage for flood-related damage.

The scope of coverage available under your policy will depend upon the policy and endorsements you select, so be sure to discuss all of your concerns with your insurance producer and to learn about all of the different types of coverages available for purchase.



What Type of Insurance Do you Need If Someone Is Injured Related to the Operation of Your Business

A CGL policy is advantageous for two reasons. First, the insurer will defend you against any covered claim at no out-of-pocket cost to you. Second, if your business is found responsible, the insurer will pay at least part of, and maybe even all of, the damages owed.

What Type of Insurance Do you Need If Someone Is Injured Related to the Operation of Your Business

The amount the insurer will pay depends upon:

- the amount of damages; and
- the type of damages sought. When a valid claim is made, the insurer will pay up to the stated maximum. If the claim for damages is greater than the policy maximum, you as the policyholder are liable for the balance. Also, while most CGL insurance policies provide coverage for compensatory and non-compensatory damages, punitive damages are typically not covered. Compensatory damages include expenses incurred by the claimant as a result of the injury, such as the cost of medical services and lost wages from missing work, as well as projected future losses and expenses. Non-compensatory or general damages include non-monetary losses suffered by the injured party, such as “pain and suffering” or “mental anguish.” Punitive damages are additional monies awarded as a penalty and sanction against the defendant as a form of punishment for its actions.

Cyber Liability Insurance

This type of insurance is customized to fit the particular needs of your business. The policy may cover security breaches where sensitive information is either hacked or inadvertently disclosed. For example, the policy may pay for the increased expenses to:

- provide credit monitoring for consumers in the event of a security breach;
- repair or replace business assets damaged as a result of a security breach; or
- operate the business if the security breach causes an interruption.

Flood Insurance

If your business could be damaged by rising water, you should consider buying flood insurance because property insurance policies generally do not cover damage caused by rising waters. Even if your building/business is not in a flood zone, it may be at risk for flooding. Flood insurance is an optional coverage offered through the federal government and some private insurers. It may be purchased by contacting your insurance producer.



Flood Insurance

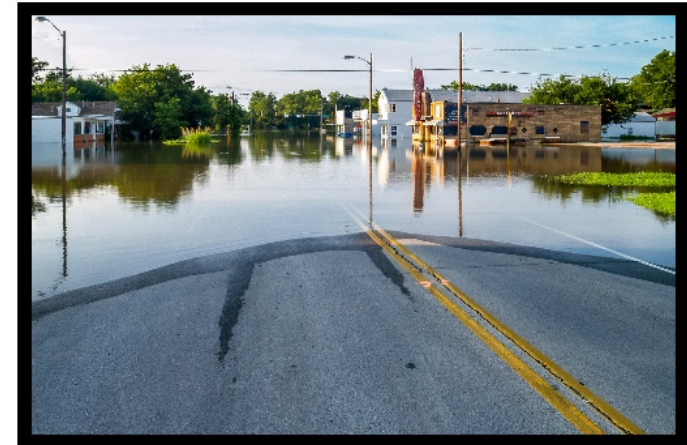


When deciding whether to purchase federal flood insurance, you should be aware of these important facts:

- There are two types of coverage available under the National Flood Insurance Program:
 - Structural coverage for walls, floors, insulation, furnace and items that are attached permanently to the insured structure, and
 - Contents coverage for the business' personal property. These coverages do not come together automatically, but must be purchased separately.
- There is a 30-day waiting period for a new or modified flood insurance policy to become effective, unless the lender requires that flood insurance be purchased in connection with a mortgage loan. If the lender requires this coverage, then there is no waiting period.

Flood Insurance

- The standard flood insurance policy covers direct losses caused by a flood, less an insurance deductible (usually \$1,000). You may buy a policy that covers flood damage to both the structure and contents, or a policy that covers damage to only one. A business may need only one type of coverage if, for example, it does not own the building in which it is located, and the lease agreement does not require it to insure the premises. By law, the maximum allowable commercial property limit for a small business is \$500,000.



Business Owners Policy: A Package Solution

Many small business owners purchase a business package policy (BOP). A BOP typically includes liability insurance, property insurance, business interruption/continuation insurance and crime coverage. A BOP packages various types of coverages into one policy, so, for small businesses, it is often a less costly option than purchasing several separate policies. Many insurers customize BOPs for specific types of businesses.

Business Owners Policy: A Package Solution

You should be aware that a BOP does not cover claims of professional liability (claims arising from allegedly wrongful practice by professionals), auto insurance, workers' compensation, health or disability insurance—all of which require separate policies to be purchased.

Home-Based Business Insurance

Home-based businesses – like all businesses – should be properly insured to protect the business' assets and its owners against certain risks. Often, home-based businesses are underinsured – a fact the business owner usually discovers after an incident or loss occurs. Then the business owner learns that the insurance he/she has is inadequate or insufficient to address the type or amount of loss the business is facing. Talk to an insurance producer to be sure that you have the necessary coverages in place to protect yourself and your business against a loss or claim.

Tips and Considerations for Reducing Business Risk

As a small business owner, you can take steps to minimize risk in the workplace, thereby helping to lower your insurance premiums. Here are some tips that could benefit your business, employees, customers and clients:

- Install fire and security alarms.
- Plan and train employees for an emergency on the premises, such as fires and evacuations.
- Have employees keep wallets and other personal items in a secure place. Keep the business' cash and other valuables in a safe.

Tips and Considerations for Reducing Business Risk

- If employees work with machinery, provide goggles, gloves and other recommended safety gear to help prevent injuries.
- Keep office space in good physical condition. Maintain carpeting and railing on stairs. Make sure telephone and computer wiring is in good working condition and does not create any hazards.
- If your employees operate company cars, ensure they have clean driving records and proper training.

Tips and Considerations for Lowering Property and Liability Insurance Costs

- Review all insurance policies each year, and note any changes that may affect your coverage costs. For example, your premiums could be impacted by the addition or reduction of employees, client product offerings or inventory; alterations to your building or equipment; or changed state regulations.
- Find out how plans differ to ensure you are purchasing the best policy for your particular business at a competitive price.

Tips and Considerations for Lowering Property and Liability Insurance Costs

- Claim a tax deduction for your premiums on fire, casualty and burglary insurance.
- Avoid purchasing overlapping policies. Carefully read the terms to make sure you are not covered for the same item in two separate policies. This type of policy examination also helps you ensure that you are not missing crucial coverage in other areas.

Contact Information

Maryland Insurance Administration

800-492-6116 or 410-468-2000

www.insurance.maryland.gov



Maryland Insurance Administration



Maryland Insurance Administration



marylandinsuranceadmin



MD_Insurance



Questions?

