

FINAL BILL REPORT

ESHB 1493

PARTIAL VETO

Synopsis as Enacted

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Brief Description: Assisting minority and women-owned businesses.

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Wineberry, Forner, Shin, Sheldon, Leonard, Basich, Locke, J. Kohl, Morris and Anderson).

House Committee on Trade, Economic Development & Housing
House Committee on Appropriations
Senate Committee on Trade, Technology & Economic Development
Senate Committee on Ways & Means

Background: Minority business enterprises (MBEs) and women's business enterprises (WBEs) benefit generally from statewide economic development programs.

Washington State's Office of Minority and Women's Business Enterprises (OMWBE) was created in 1983 to increase opportunities for minorities and women to obtain state contracts. OMWBEs major duties are: (1) to set annual MBE and WBE participation goals in fulfilling state contracts; (2) to certify businesses as eligible for MBE or WBE status; (3) to provide a certification list for state agencies and others seeking to solicit bids from MBEs or WBEs; and (4) to monitor agencies use of MBEs and WBEs, perform investigations to identify barriers to equal participation, and expose discriminatory business practices.

Summary: The Omnibus Minority and Women-Owned Businesses Assistance Act provides technical assistance, training and education, export assistance, contract procurement assistance, loans and grants, and bonding assistance to minority and women-owned businesses. Minority and women-owned business is defined as a business that has been certified by the Office of Minority and Women's Business Enterprises.

The Department of Trade and Economic Development must provide technical assistance to minority and women-owned businesses for marketing, finance, management, procurement, and identifying export markets. A business training course of instruction for MBEs and WBEs must be established. The

Department of Trade and Economic Development will contract with private or public organizations to develop the course. The Minority and Women Business Development Office is established in the Department of Trade and Economic Development's Business Assistance Center.

OMWBE will work with state agencies to develop a plan, that includes direct contracting with certified minority and women-owned businesses for public works and construction, to achieve OMWBE participation goals in state contracting. On an annual basis, OMWBE will notify the governor, the Legislative Budget Committee, and the state auditor of all agencies not in compliance with participation goals.

Financial assistance may be provided to qualified minority and women business owners and minority and women entrepreneurs through the development loan fund administered by the Department of Community Development. The program can consider nontraditional credit criteria for minority and women-owned businesses.

The Washington State Small Business Bonding Assistance Program is established in the Department of Trade and Economic Development. The program provides education and bond guarantees for minority and women-owned contracting businesses.

The Washington State Linked Deposit Program is established to provide a financial incentive for financial institutions to make loans to minority and women-owned businesses at reduced rates. The program terminates on June 30, 1996.

Votes on Final Passage:

House	90	8	
Senate	44	0	(Senate amended)
House			(House refused to concur)
Senate	39	4	(Senate amended)
House	92	6	(House concurred)

Effective: July 1, 1993

Partial Veto Summary: The partial veto removes provisions that required the budget to provide funding for specific parts of the Omnibus Minority and Women-Owned Businesses Assistance Act or those parts would become null and void. The partial veto corrected technical errors in the budget by preserving provisions which provide training, export assistance, bonding assistance, and a linked deposit program. (See VETO MESSAGE)