

FINAL BILL REPORT

SHB 2191

C 15 L 94
Synopsis as Enacted

Brief Description: Regulating bidding procedures concerning minority and women-owned businesses.

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Ogden, Schoesler, Sheahan, Roland, Carlson, Rayburn and Wineberry; by request of Washington State University).

House Committee on Trade, Economic Development & Housing
Senate Committee on Government Operations

Background: In 1983, the Legislature created the Office of Minority and Women's Business Enterprises in 1983 to increase the level of participation by minority and women-owned businesses in state contracts with the private sector. The office is required to establish annual goals for participation by qualified minority and women-owned businesses for each state agency and institution of higher education. The goals are established for public works as well as for the procurement of goods and services, and the goals may be administered on a contract-by-contract basis or a class-of-contracts basis.

If considered necessary to accomplish the goals for minority and women-owned businesses participation, the contracts must be awarded to the next lowest bidder, or all bids rejected and new bids obtained if the lowest bidder does not meet the goals established for a particular contract. The statute only refers to the next lowest bidder, not the next lowest responsible bidder. It is unclear whether it is permissive or mandatory for a state agency or institution of higher education to reject all bids and call for new bids if the next lowest bidder does not meet the contract goals.

Summary: References to contracts being awarded to the next lowest bidder in order to meet the goals for minority and women-owned participation are amended to refer to the next lowest responsible bidder. A state agency or institution of higher education may choose to reject all bids and call for new bids if the next lowest responsible bidder does not meet the goals established for the contract.

Votes on Final Passage:

House 90 0
Senate 45 3

Effective: June 9, 1994