

# HOUSE BILL REPORT

## HB 2192

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As Reported By House Committee On:  
Trade, Economic Development & Housing

**Title:** An act relating to exempting materials submitted for certification under chapter 39.19 RCW from public records disclosure requirements.

**Brief Description:** Exempting materials submitted for certification under chapter 39.19 RCW from public records disclosure requirements.

**Sponsors:** Representatives G. Cole, Forner, Veloria, Ogden and Wineberry; by request of Office of Minority and Women's Business Enterprises.

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, January 27, 1994,  
DPS.

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### HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Wineberry, Chair; Shin, Vice Chair; Schoesler, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Backlund; Campbell; Casada; Conway; Quall; Sheldon; Springer; Valle; and Wood.

**Staff:** Bill Lynch (786-7092).

**Background:** The Legislature created the Office of Minority and Women's Business Enterprises in 1983 in order 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 overall 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 the procurement of goods and services and may be administered on a contract-by-contract basis or a class-of-contracts basis.

The Office of Minority and Women's Business Enterprises is responsible for maintaining a central list of minority and women's business enterprises that have been certified by the

office for use by state agencies and educational institutions. The information submitted by businesses for certification purposes is not exempt from public disclosure. Business-related financial information that is required for participation in a number of other state programs is exempt from public disclosure.

**Summary of Substitute Bill:** Financial statements, loan documents, tax records and business plans that are submitted to the Office of Minority and Women's Business Enterprises by a person, firm or corporation in order to be certified as a minority or women-owned business are exempt from public inspection and copying under the Public Disclosure Act to the extent that they do not establish ownership or control of the business.

**Substitute Bill Compared to Original Bill:** Financial information submitted by a business to the Office of Minority and Women's Business Enterprises for certification purposes is only exempt if it does not establish ownership or control of the business.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill takes effect on July 1, 1994.

**Testimony For:** Business information sent to other state agencies for participation in programs is exempt from public disclosure. This lifts a potential barrier to minority and women-owned businesses who would otherwise be unwilling to submit sensitive financial data.

**Testimony Against:** People should be able to check to see that a business that has been certified as a women or minority-owned business really qualifies for that designation.

**Witnesses:** Rep. Grace Cole, prime sponsor; Jim Medina, Office of Minority and Women's Business Enterprises (pro); Rowland Thompson, Allied Daily Newspapers (con, original bill); Dick Ducharme, Utility Contractors (con, original bill); and Larry Stevens, United Subcontractors Association (con, original bill).