

SENATE BILL REPORT

SHB 2191

AS PASSED SENATE, FEBRUARY 26, 1994

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

SPONSORS: 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

Majority Report: Do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke, Owen and Winsley.

Staff: Diane Smith (786-7410)

Hearing Dates: February 16, 1994; February 18, 1994

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.

If it is 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.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

This bill saves the expense of rejecting all bids and obtaining new ones.

TESTIMONY AGAINST: None

TESTIFIED: Larry Ganders, WSU; Jim Medina, OMWBE