

# SENATE BILL REPORT

## EHB 1087

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As of March 23, 2009

**Title:** An act relating to improving the effectiveness of the office of minority and women's business enterprises.

**Brief Description:** Improving the effectiveness of the office of minority and women's business enterprises.

**Sponsors:** Representatives Kenney, Pettigrew, Hasegawa, Darneille, Chase, Nelson, Sullivan, Dickerson, Hudgins, White and Upthegrove.

**Brief History:** Passed House: 2/20/09, 86-8.

**Committee Activity:** Economic Development, Trade & Innovation: 3/18/09.

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### SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

**Staff:** Philip Brady (786-7460)

**Background:** The Office of Minority and Women's Business Enterprises (OMWBE) was created in 1983 to provide minority and women-owned businesses the maximum practical opportunity to participate in public contracts. OMWBE must develop and implement a comprehensive plan to provide opportunities, identify barriers to establish annual goals for participation, maintain a certification list for agencies, and submit an annual report to the Governor and Legislature.

The Director of the OMWBE (director) may establish an ad hoc advisory committee as necessary.

**Summary of Bill:** OMWBE must develop a strategic plan to increase its effectiveness in carrying out its duties, and must update it at least annually. The strategic plan must have timelines, and include strategies to facilitate communication with certified businesses, improve outreach, streamline the certification process, focus technical assistance, address barriers to participation, and develop accountability measures. OMWBE must file an initial report by September 1, 2009, and file annual reports beginning on December 1, 2009.

Every state agency and educational institution must report to OMWBE on participation by certified businesses in the agency or institution's contracts. The director will determine the appropriate format.

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The director must establish an advisory committee to provide policy advice, and the committee must meet at least six times. Membership may be as many as 15 persons, must be geographically diverse, and must have at least as many businesses as organizations. Representatives of local and state government agencies may participate, but only as non-voting members.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** Yes.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** CON: Requiring OMWBE to create a strategic plan to increase its effectiveness is not only redundant but blames OMWBE for the fact that agencies are not contracting with more minority and women-owned businesses. The requirement to have an advisory committee replaces one removed 13 years ago because it was ineffective and it was hard to get people to participate. Reporting doesn't do anything, because the agencies' numbers never change. It would be more effective to make the agencies accountable for their lack of progress, so the program, not the office, should be changed.

**Persons Testifying:** CON: Jim Medina, citizen.