
**Technology & Economic Development
Committee**

HB 2050

Brief Description: Establishing the small business enhancement program.

Sponsors: Representative Pettigrew.

Brief Summary of Bill

- Establishes the Small Business Enhancement Program within the Office of Minority and Women’s Business Enterprises (OMWBE).
- Defines “small business.”
- Requires the OMWBE to develop out-come focused performance measures.

Hearing Date: 2/11/15

Staff: Kirsten Lee (786-7133).

Background:

Office of Minority and Women's Business Enterprises.

The Office of Minority and Women's Business Enterprises (OMWBE) was created in 1983 with the statutory purpose of providing minority and women-owned and controlled businesses (businesses) with the maximum practicable opportunity for increased participation in public works contracts and public contracts for goods and services.

Among other duties, the OMWBE must identify barriers to equal participation by qualified businesses in all state agency and educational contracts, and to establish annual overall goals for participation by qualified businesses for each state agency and educational institution.

The OMWBE is the sole authority in Washington for certifying minority, women-owned, and socially and economically disadvantaged business enterprises. Certified business enterprises are

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listed in the OMWBE database, which is used by cities, counties, state agencies, and transportation and educational institutions to source small and diverse firms for potential contracting opportunities.

Associate Development Organizations.

An associated development organization (ADO) is a local economic development nonprofit corporation that is broadly representative of community interests. Associated development organizations serve as a point of contact for local economic development activities, supporting new business development and recruitment, and coordinating business retention and expansion activities within their area and are commonly referred to as an economic development council. Each county in Washington has designated an organization as their ADO. There are 34 ADOs total. The Department of Commerce contracts with each of the ADOs to provide technical and financial support for ADOs activities.

Summary of Bill:

The Small Business Enhancement Program (Program) within the OMWBE is established. “Small business” is defined as a minority, women, or socially and economically disadvantaged business enterprise that has 250 or fewer employees. The Program is tasked with:

- identifying new small businesses eligible for OMWBE certification with the assistance of associate development organizations;
- assisting the identified businesses in the certification process;
- providing training and information for small businesses in their preparation of government contract proposals;
- assisting small businesses in developing business plans;
- providing certified businesses with services related to job and business growth; and
- working with the Department of Commerce to leverage funding.

The OMWBE must develop outcome focused performance measures and report to the Governor and appropriate legislative committees on the effectiveness of the Program by December 1, 2016.

Appropriation: None.

Fiscal Note: Requested on February 10, 2015.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.