(SUBSTITUTED FOR - SEE 2ND SUB)

Finds that: (1) It is in the state's economic interest and serves a public purpose to promote and facilitate the fullest possible participation by Washington businesses of all sizes in the process by which goods and services are purchased by the state; and

(2) Large businesses have the resources to participate fully and effectively in the state's purchasing system, and because of many factors, including economies of scale, the purchasing system tends to create a preference in favor of large businesses and to disadvantage small businesses.

Declares an intent to assist, to the maximum extent possible, small businesses to participate in order to enhance and preserve competitive enterprise and to ensure that small businesses have a fair opportunity to be awarded contracts or subcontracts for goods and services purchased by the state.

Requires the state purchasing and material control director, under the powers granted by RCW 43.19.190 through 43.19.1939, and the agencies, including educational institutions, operating under delegated authority granted under RCW 43.19.190 or 28B.10.029, to apply a preference in the award of contracts for goods and services and give assistance to small businesses.

Requires the director of the department of general administration to establish overall state policy for compliance by all state agencies, including educational institutions, regarding development of procedures and policies implementing the small business participation in state purchasing provided in this act.