

HOUSE OF REPRESENTATIVES

Olympia Washington

BilAnalysis

Bill No. HB 2872

Entrepreneurial opportunities for disabled persons
Brief title

Hrg. Date: 2/6/98

Reps. Honeyford/Carlson
Sponsor

Staff Contact S. Lundin
Comm. on Govt. Admin.
Phone: 786-7127

BACKGROUND:

1. Normal contracting procedures.

In general, state agencies and institutions of higher education make purchases using either a formal competitive bidding process or a less formal quotation process from vendors. Exceptions are made to this general requirement including for purchases of a value of less than \$400.

In general, state agencies and institutions of higher education award contracts for public works using a formal competitive bidding process or a less formal small works rote process. Exceptions are made to these general requirements including for awarding contracts for public works of below a specified amount.

2. Women's and minority-owned and controlled businesses.

The Office of Minority and Women's Businesses develops overall goals for the participation of qualified women and minority-owned and controlled businesses in contracts let by each state agency and institution of higher education, certifies businesses as being women or minority-owned and controlled businesses, and adopts standard contract clauses for the inclusion of women and minority-owned businesses.

Each state agency and institution of higher education is required to comply with the annual goals established for the agency or institution and to adopt a plan to insure that minority and women-owned and controlled businesses are afforded the maximum practicable opportunity for direct and meaningful participation in the public contracts let by the agency or institution for public works and the purchase of goods and services.

Continued

If it is necessary for a state agency or institution of higher education to meet these goals, a contract may be let to the next lowest responsible bidder in turn or all bids may be rejected and new bids obtained. An apparent low bidder must be in compliance with contract provisions required developed by the office of women and minority-owned businesses.

SUMMARY:

The state program for minority and women owned businesses is altered and expanded to be a program for businesses owned and controlled by minorities, women, and disabled persons. Several provisions of law relating to minority and women owned businesses are amended to include businesses owned and controlled by disabled persons. However, the renamed Office of Minority Women's, and Disabled Persons is not authorized to adopt goals for the participation of qualified businesses owned and controlled by disabled persons.

A disabled person is defined as a person with a physical or mental impairment that substantially limits a major life activity. The impairment must be material and medically recognizable, diagnosable, and must be permanent but does not include drug or alcohol addiction or any negative effect brought on by the use of drugs or alcohol.

The Legislature finds that no court has held that a program to promote contracting opportunities for businesses owned and controlled by disabled persons must be subject to the strict-scrutiny standard or must be justified by a disparity study. If a court of proper jurisdiction finds that the program for disabled persons is subject to such a standard or must be justified by such a study, the program is suspended until the legislature determines a proper course of action.

These changes take effect on July 1, 1998, and are placed under the sunset review process with a termination date of June 30, 2001, and repealing the law effective June 30, 2002.

FISCAL NOTE: Available.

EFFECTIVE DATE: This act takes effect July 1, 1998.