

# FINAL BILL REPORT

## E2SHB 1096

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### FULL VETO

Synopsis as Enacted

**Brief Description:** Enhancing small business participation in state purchasing.

**Sponsors:** House Committee on General Government Appropriations (originally sponsored by Representatives Hasegawa, Green, Kenney, Chase, Hudgins and Moeller).

**House Committee on Community & Economic Development & Trade**  
**House Committee on General Government Appropriations**  
**Senate Committee on Government Operations & Elections**  
**Senate Committee on Economic Development, Trade & Innovation**  
**Senate Committee on Ways & Means**

#### **Background:**

The Department of General Administration (GA) establishes overall state policy for state purchasing. It contracts with individuals and companies outside state government to provide goods and services to the state. Under delegated authority, other state agencies and the institutions of higher education also contract for goods and services. The state's purchasing authority is generally organized into categories based on the type of service. Among these categories are:

- *Purchased goods and services.* These goods and services are ones provided by a vendor to accomplish routine, continuing and necessary functions.
- *Personal services.* This term refers to professional or technical expertise provided by a consultant to accomplish a specific study or project.
- *Information services.* These services include data processing, telecommunications, office automation, and computerized information systems.
- *Printing services.* This term refers to the production of the state's printed materials.

The Office of Minority and Women's Business Enterprises (OMWBE) has a statutory purpose of providing minority and women-owned business enterprises the maximum practicable opportunity for increased participation in public contracts. The OMWBE is the sole authority for certifying minority, women-owned, and socially and economically disadvantaged businesses for participation in public contracting programs. The OMWBE may only certify "small business concerns," which are defined to be consistent with the definition used by the U.S. Small Business Administration.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary:**

The departments of General Administration (GA), Information Services, and Transportation must develop a plan to increase the number of small businesses receiving state contracts for goods and services. The goal of the plan is have the number of small businesses receiving state contracts be at least 50 percent higher by 2012 and at least 100 percent higher by 2014, compared to the number of contracts awarded to small businesses in 2009. This plan requirement expires July 1, 2015.

By July 1, 2011, and each July 1 thereafter, the GA must report on progress in carrying out the plan to the Governor and Legislature.

For the purposes of the plan, "small business" is an in-state business that has either fifty or fewer employees or gross revenues of less than \$7 million or is a business certified by the Office of Minority and Women's Business Enterprises.

**Votes on Final Passage:**

House	84	10	
Senate	42	5	(Senate amended)
House	87	10	(House concurred)

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