

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096

61st Legislature
2010 Regular Session

Passed by the House March 11, 2010
Yeas 87 Nays 10

Speaker of the House of Representatives

Passed by the Senate March 11, 2010
Yeas 42 Nays 5

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096

AS AMENDED BY THE SENATE

Passed Legislature - 2010 Regular Session

State of Washington **61st Legislature** **2010 Regular Session**

By House General Government Appropriations (originally sponsored by Representatives Hasegawa, Green, Kenney, Chase, Hudgins, and Moeller)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to enhancing small business participation in state
2 purchasing; adding a new section to chapter 43.19 RCW; and providing an
3 expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.19 RCW
6 to read as follows:

7 (1) The legislature finds that it is in the state's economic
8 interest and serves a public purpose to promote and facilitate the
9 fullest possible participation by Washington businesses of all sizes in
10 the process by which goods and services are purchased by the state.
11 The legislature further finds that large businesses have the resources
12 to participate fully and effectively in the state's purchasing system,
13 and because of many factors, including economies of scale, the
14 purchasing system tends to create a preference in favor of large
15 businesses and to disadvantage small businesses. The legislature
16 intends, therefore, to assist, to the maximum extent possible, small
17 businesses to participate in order to enhance and preserve competitive
18 enterprise and to ensure that small businesses have a fair opportunity

1 to be awarded contracts or subcontracts for goods and services
2 purchased by the state.

3 (2) Purchasing agencies must establish and implement a plan to
4 increase the number of small businesses annually receiving state
5 contracts for goods and services purchased by the state. The goal of
6 the plan must be to have the number of small businesses receiving state
7 contracts in 2012 be at least fifty percent higher, and in 2014 be at
8 least one hundred percent higher, than the number of contracts awarded
9 to small businesses in 2009.

10 (3) On July 1, 2011, and each July 1st thereafter, the department
11 of general administration, in consultation with the department of
12 information services and the department of transportation, shall report
13 to the governor and the appropriate committees of the legislature on
14 progress in carrying out the plan required by this section. Annual
15 reports must include information about progress in increasing the
16 number of small businesses participating in state contracts, steps
17 taken to meet the goals of the plan, and the characteristics of small
18 businesses that are awarded contracts.

19 (4) As used in this section:

20 (a) "Purchasing agencies" are limited to the department of general
21 administration, the department of information services, and the
22 department of transportation.

23 (b) "In-state business" means a business that has its principal
24 office located in Washington and its officers domiciled in Washington.

25 (c) "Small business" means an in-state business, including a sole
26 proprietorship, corporation, partnership, or other legal entity, that:
27 (i) Certifies, under penalty of perjury, that it is owned and operated
28 independently from all other businesses and has either (A) fifty or
29 fewer employees, or (B) a gross revenue of less than seven million
30 dollars annually as reported on its federal income tax return or its
31 return filed with the department of revenue over the previous three
32 consecutive years; or (ii) is certified under chapter 39.19 RCW.

33 (5) This section expires July 1, 2015.

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