

which cannot be resolved without a hearing and summary disposition under WAC 316-02-230 is not appropriate, there shall be issued and served on each of the parties to the dispute and on the department a notice of hearing before a hearing officer at a time and place fixed therein. Any such notice may be amended or withdrawn prior to the close of the hearing. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-170, filed 3/20/84.]

WAC 316-75-190 Union security--Hearings--Who shall conduct. Hearings may be conducted by the commission or by any other person designated by the commission as a hearing officer. At any time, a hearing officer may be substituted for the hearing officer previously presiding. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-190, filed 3/20/84.]

WAC 316-75-210 Authority of hearing officer. The hearing officer shall have the authority:

- (1) To administer oaths and affirmations;
- (2) To issue subpoenas in the name of the commission;
- (3) To rule upon objections to evidence and offers of proof, receive relevant evidence, and to exclude irrelevant, immaterial or unduly repetitious evidence;
- (4) To question witnesses;
- (5) To regulate the time, place and course of the hearing;
- (6) To dispose of procedural requests or other procedural matters;
- (7) To hold conferences for the settlement, simplification or adjustment of issues; and
- (8) To take any other action authorized by these rules. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-210, filed 3/20/84.]

WAC 316-75-230 Hearings--Nature and scope. Hearings shall be public and shall be limited to matters concerning the determination of the eligibility of the employee to make alternative payments and the designation of an organization to receive such alternative payments. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-230, filed 3/20/84.]

WAC 316-75-250 Proceedings before the hearing officer. After the close of the hearing, the hearing officer may proceed forthwith upon the record, after submission of briefs or after further hearing, as may be appropriate, to determine the matter. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-250, filed 3/20/84.]

WAC 316-75-270 Proceedings before the commission--Petition for review. The final order of the hearing officer shall be subject to review by the commission on its own motion, or at the request of any party made within twenty days following the date of the order issued

by the hearing officer. The original and three copies of the petition for review shall be filed with the commission at its Olympia office and the party filing the petition shall serve a copy on the other party to the proceeding and on the employer. The petition for review shall identify the actions or rulings claimed to be in error. Any party to the proceeding may, within fourteen days after the initiation of review, file briefs or written arguments for consideration by the commission. The original and three copies of any brief or written argument shall be filed with the commission at its Olympia office and a copy shall be served upon the other party. The commission or the designee of the commission may, for good cause, grant any party an extension of the time for filing of its brief or written argument where a request for additional time is made prior to the deadline previously established. The commission may request the parties to appear before it to make oral argument as to certain of the issues or all of the issues in the matter. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-270, filed 3/20/84.]

WAC 316-75-290 Commission action. The hearing officer shall transfer the entire record in the proceeding to the commission. The commission shall determine the matter. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-290, filed 3/20/84.]

WAC 316-75-310 Implementation. Where alternative payments in lieu of payments under a union security agreement have been agreed upon by the parties or ordered by the commission, the department shall release any funds (together with accumulated interest) held in escrow under WAC 316-75-130 to the designated charitable organization and the employee shall thereafter make payments and shall furnish written proof to the exclusive bargaining representative that such payments have been made to the designated charitable organization. Where the employee is found ineligible to make alternative payments, the department shall release any funds (together with accumulated interest) held in escrow to the exclusive bargaining representative and shall enforce the union security provision according to its terms. The department and the exclusive bargaining representative shall allow the affected employee a grace period of not less than thirty days following the agreement or final order of the commission to correct any arrearages. [Statutory Authority: RCW 47.64.280. 84-07-037 (Resolution No. 84-01), § 316-75-310, filed 3/20/84.]

Title 326 WAC

MINORITY AND WOMEN'S BUSINESS ENTERPRISES, OFFICE OF

Chapters

326-02 General provisions.

- 326-06 Public records rules and regulations for the office of minority and women's business enterprises.
- 326-08 Hearings procedures.
- 326-20 Certification.
- 326-30 Goal setting rules.
- 326-40 Agency/educational institution operating procedures.
- 326-50 Participation programs.

Chapter 326-02 WAC
GENERAL PROVISIONS

WAC

326-02-030 Definitions.

WAC 326-02-030 Definitions. Words and terms used in these rules shall have the same meaning as each has under chapter 120, Laws of 1983, unless otherwise specifically provided in these rules, or the context in which they are used clearly indicates that they be given some other meaning.

(1) "Advisory committee" means the advisory committee on minority and women's business enterprises.

(2) "Class of contract basis" means an entire group of contracts having a common characteristic. Examples include, but are not limited to, personal service contracts, public works contracts, leases, purchasing contracts, and contracts for specific types of goods and/or services.

(3) "Combination minority and women's business enterprise" means a business organized for profit, performing a commercially useful function, that is fifty percent owned and controlled by one or more minority men or MBEs certified by this office and fifty percent owned and controlled by one or more nonminority women or WBEs certified by this office. The owners must be United States citizens or lawful permanent residents.

(4) "Commercially useful function" means being responsible for execution of a contract or a distinct element of the work under a contract by actually performing, managing and supervising the work involved.

(5) "Contract" means a mutually binding legal relationship, including a lease, or any modification thereof, obligating the seller to furnish goods or services, including construction, and the buyer to pay for them.

(6) "Contract by contract basis" means a single contract within a specific class of contracts.

(7) "Contractor" means a party who enters into a contract to provide a state agency or educational institution with goods or services, including construction, or a subcontractor or sublessee of such a party.

(8) "Director" means the director of the office of minority and women's business enterprises.

(9) "Educational institutions" means the state universities, the regional universities, The Evergreen State College, and the community colleges.

(10) "Goals" means annual overall agency goals, expressed as a percentage of dollar volume for participation by minority and women-owned businesses, and shall not be construed as a minimum goal for any particular contract or for any particular geographical area. Goals shall be met on a contract by contract or class of contract basis. In meeting their goals on either a contract by contract or a class of contract basis state agencies and educational institutions should facilitate the entry of minority and women's business enterprises into types of businesses in which MBE's and WBE's are underrepresented.

(11) "Goods and/or services" means all goods and services, including professional services.

(12) "Joint venture" means a single enterprise partnership of two or more persons or businesses created to carry out a single business enterprise for profit for which purpose they combine their capital, efforts, skills, knowledge or property and in which they exercise control and share in profits and losses in proportion to their contribution to the enterprise.

(13) "Minority" means a person who is a citizen or lawful permanent resident of the United States and who is:

(a) Black: Having origins in any of the black racial groups of Africa;

(b) Hispanic: Of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

(c) Asian American: Having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands; or

(d) American Indian or Alaskan Native: Having origins in any of the original peoples of North America.

Persons who are visibly identifiable as a minority need not provide documentation of their racial heritage but may be required to submit a photograph. Persons who are not visibly identifiable as a minority must provide documentation of their racial heritage which will be determined on a case-by-case basis. The final determination will be in the sole discretion of the office.

(14) "Minority business enterprise," "minority-owned business enterprise," or "MBE" means a business organized for profit, performing a commercially useful function, which is owned and controlled by one or more minority individuals or minority business enterprises certified by this office. Owned and controlled means a business in which one or more minorities or MBE's certified by this office own at least fifty-one percent, or in the case of a corporation at least fifty-one percent of the voting stock, and control at least fifty-one percent of the management and daily business operations of the business. The minority owners must be United States citizens or lawful permanent residents.

(15) "MWBE" means a minority-owned business enterprise, a women-owned business enterprise; and/or a combination minority and women's business enterprise certified by the office of minority and women's business enterprises of the state of Washington.

(16) "Office" means the office of minority and women's business enterprises of the state of Washington.

(17) "Procurement" means the purchase, lease, or rental of any goods or services.

(18) "Public works" means all work, including construction, highway and ferry construction, alteration, repair, or improvement other than ordinary maintenance, which a state agency or educational institution is authorized or required by law to undertake.

(19) "State agency" includes the state of Washington and all agencies, departments, offices, divisions, boards, commissions, and correctional and other types of institutions. "State agency" does not include the judicial or legislative branches of government except to the extent that procurement or public works for these branches is performed by a state agency.

(20) "Women's business enterprise," "women-owned business enterprise," or "WBE" means a business organized for profit, performing a commercially useful function, which is owned and controlled by one or more women or women's business enterprises certified by this office. Owned and controlled means a business in which one or more women or WBE's certified by this office own at least fifty-one percent or in the case of a corporation at least fifty-one percent of the voting stock, and control at least fifty-one percent of the management and daily business operations of the business. The women owners must be United States citizens or lawful permanent residents. [Statutory Authority: Chapter 39.19 RCW. 85-14-101 (Order 85-6), § 326-02-030, filed 7/2/85; 84-09-002 (Order 84-5), § 326-02-030, filed 4/5/84. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-02-030, filed 10/28/83.]

Chapter 326-06 WAC

PUBLIC RECORDS RULES AND REGULATIONS FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

WAC

326-06-010	Purpose.
326-06-020	Definitions.
326-06-030	Description of office organization.
326-06-040	Operations and procedures.
326-06-050	Public records available.
326-06-060	Public records officer.
326-06-070	Office hours.
326-06-080	Requests for public records.
326-06-090	Copying.
326-06-100	Exemptions.
326-06-110	Review of denials of public records request.
326-06-120	Protection of public records.
326-06-130	Records index.
326-06-140	Communications with the agency.
326-06-160	Request for public record—Form.

WAC 326-06-010 Purpose. The purpose of this chapter shall be to ensure compliance by the office of minority and women's business enterprises with the provisions of chapter 42.17 RCW (Initiative 276), and in particular with sections 25 through 32 of that act, dealing with public records. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-010, filed 4/5/84.]

WAC 326-06-020 Definitions. (1) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by this agency regardless of physical form or characteristics.

(2) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation, including letters, words, pictures, sounds, symbols, or combination thereof; and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums, and other documents.

(3) "Agency" means the office of minority and women's business enterprises, and the staff and employees thereof, unless the context clearly indicates otherwise. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-020, filed 4/5/84.]

WAC 326-06-030 Description of office organization. (1) The office is located at 406 South Water, Olympia, Washington 98504.

(2) The office consists of a director, confidential secretary, research analyst, and a number of MWBE administrators.

The office provides the following services: Certification of businesses as MBEs or WBEs, monitoring agency/educational institution compliance with chapter 39.19 RCW and Title 326 WAC, publication of a list of certified vendors, identification of barriers to participation by women-owned minority businesses in state agencies' educational institutions' contracts, and development of a plan insuring provision to qualified minority and women-owned businesses of the opportunity to participate in state agency and educational institution contracts.

The MWBE administrators review applications for certification and provide information about that process to the public. Should information about the certification process or the status of a particular application be desired, the request should be made to the public records officer at OMWBE. Complaints about a certified business should be made following the procedures outlined in WAC 326-20-200. [Statutory Authority: Chapter 39.19 RCW. 85-14-101 (Order 85-6), § 326-06-030, filed 7/2/85; 84-09-002 (Order 84-5), § 326-06-030, filed 4/5/84.]

WAC 326-06-040 Operations and procedures. (1) Practice and procedure in and before the agency are governed by the uniform procedure rules, chapter 1-08 WAC. Contested case hearings are governed by chapter 326-08 WAC.

(2) The operations of the agency, including meetings, selection of officers, filling of vacancies, and fiscal matters, are conducted according to the provisions of chapter 39. RCW. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-040, filed 4/5/84.]

WAC 326-06-050 Public records available. All public records of the agency, as defined in WAC 326-06-020, are deemed to be available for public inspection and copying pursuant to these rules, except as otherwise provided by RCW 42.17.310. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-050, filed 4/5/84.]

WAC 326-06-060 Public records officer. The agency's public records shall be in charge of the public records officer designated by the director. The public records officer shall be responsible for the following: The implementation of the agency's rules and regulations regarding release of public records, coordinating the staff of the agency in this regard, and generally insuring compliance by the staff with the public records disclosure requirements of chapter 42.17 RCW. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-060, filed 4/5/84.]

WAC 326-06-070 Office hours. Public records shall be available for inspection and copying during the customary office hours of the agency. For the purposes of this chapter, the customary office hours shall be from 8 a.m. to noon and from 1 p.m. to 5 p.m., Monday through Friday, excluding legal holidays. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-070, filed 4/5/84.]

WAC 326-06-080 Requests for public records. In accordance with requirements of chapter 42.17 RCW that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, public records may be inspected or copied or copies of such records may be obtained, by members of the public, upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the agency which shall be available at its office. The form shall be presented to the public records officer; or to any member of the agency's staff, if the public records officer is not available, at the office of the agency during customary office hours. The request shall include the following information:

(a) The name, address, and organization represented, if any, of the person requesting the record;

(b) The time of day and calendar date on which the request was made;

(c) The nature of the request;

(d) If the matter requested is referenced within the current index maintained by the records officer, a reference to the requested record as it is described in such current index;

(e) If the requested matter is not identifiable by reference to the agency's current index, an appropriate description of the record requested;

(2) In all cases in which a member of the public is making a request, it shall be the obligation of the public records officer or staff member to whom the request is made to assist the member of the public in appropriately

identifying the public record requested. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-080, filed 4/5/84.]

WAC 326-06-090 Copying. No fee shall be charged for the inspection of public records. The agency shall charge a fee of twenty-five cents per page of copy for providing copies of public records and for use of the agency's copy equipment. This charge is the amount necessary to reimburse the agency for its actual costs incident to such copying. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-090, filed 4/5/84.]

WAC 326-06-100 Exemptions. (1) The agency reserves the right to determine that a public record requested in accordance with the procedures outlined in WAC 326-06-080 is exempt under the provisions of RCW 42.17.310.

(2) In addition, pursuant to RCW 42.17.260(1), the agency reserves the right to delete identifying details when it makes available or publishes any public record, in any cases where there is reason to believe that disclosure of such details would be an invasion of personal privacy protected by chapter 42.17 RCW. The public records officer will fully justify such deletion in writing.

(3) All denials of requests for public records must be accompanied by a written statement specifying the reason for the denial, including a statement of the specific exemption authorizing the withholding of the record and a brief explanation of how the exemption applies to the records withheld. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-100, filed 4/5/84.]

WAC 326-06-110 Review of denials of public records request. (1) Any person who objects to the denial of a request for a public record may petition for prompt review of such decision by tendering a written request for review. The written request shall specifically refer to the written statement by the public records officer or other staff member which constituted or accompanied the denial.

(2) Immediately after receiving a written request for review of a decision denying a public record, the public records officer or other staff member denying the request shall refer it to the director, who shall immediately consider the matter and either affirm or reverse such denial. The request shall be returned with a final decision, within two business days following the original denial.

(3) Administrative remedies shall not be considered exhausted until the agency has returned the petition with a decision or until the close of the second business day following denial of inspection, whichever occurs first. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-110, filed 4/5/84.]

WAC 326-06-120 Protection of public records. (1) No person shall knowingly alter, deface, or destroy public records of the agency.

(2) Original copies of public records of the agency shall not be removed from the offices of the agency.

(3) Care and safekeeping of public records of the agency, furnished pursuant to a request for inspection or copying, shall be the sole responsibility of the requestor.

(4) Records furnished for public inspection or copying shall be returned in good condition and in the same file sequence or organization as when furnished.

(5) Boisterous or otherwise disruptive conduct by those requesting public records of the agency shall not be permitted. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-120, filed 4/5/84.]

WAC 326-06-130 Records index. (1) A chronological index is maintained providing identifying information as to all governmental records issued, adopted, or promulgated after June 30, 1972, which are deemed by the agency to fall within the purview of RCW 42.17.260 and which are not exempted under the provisions of RCW 42.17.310.

(2) The current index promulgated by the agency shall be available to all persons under the same rules and on the same rules and on the same conditions as are applied to public records available for inspection. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-130, filed 4/5/84.]

WAC 326-06-140 Communications with the agency. All communications with the agency including but not limited to the submission of materials pertaining to its operations and/or the administration or enforcement of chapter 42.17 RCW and these rules; requests for copies of the agency's rules and other matters, shall be addressed as follows: Office of Minority and Women's Business Enterprises, c/o Public Records Officer, 221 W. 5th, Olympia, Washington 98504. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-140, filed 4/5/84.]

WAC 326-06-160 Request for public record--Form.

STATE OF WASHINGTON
OFFICE OF MINORITY AND WOMEN'S BUSINESS
ENTERPRISES
REQUEST FOR PUBLIC RECORD

Date of Request: _____

Requested By: _____

Public Records or Information Requested: _____

Requester Read and Sign:

I understand that I must abide by the Rules and Regulations published by the OMWBE, for the protection of public records, a copy of which I have read and understand.

I understand that I will be charged twenty-five cents per copy for all standard letter size copies I desire and that other size publications are available at cost.

Requester's Signature: _____

Completed by Agency Public Records Officer:

Date of Receipt: _____

Number of Copies: _____

Amount Received: \$ _____

Reason if Agency is Unable to Comply: _____

Public Records Officer Signature: _____

Public records of the agency are provided for inspection and copying subject to the following regulations:

- (1) No person shall knowingly alter, deface, or destroy public records of the agency.
- (2) Original copies of public records of the agency shall not be removed from the offices of the agency.
- (3) Care and safekeeping of public records of the agency, furnished pursuant to a request for inspection or copying, shall be the sole responsibility of the requestor.
- (4) Records furnished for public inspection or copying shall be returned in good condition and in the same file sequence or organization as when furnished.
- (5) Boisterous or otherwise disruptive conduct by those requesting public records of the agency shall not be permitted.

I have read, understand, and will comply with the above-stated regulations.

(Signature and date)

[Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-06-160, filed 4/5/84.]

**Chapter 326-08 WAC
HEARINGS PROCEDURES**

WAC	
326-08-010	Purpose.
326-08-015	Time for appeal.
326-08-020	General procedures rules.

326-08-030	Amendments apply to pending cases.
326-08-040	Who may appear and practice.
326-08-050	Notice of hearing.
326-08-060	Form of pleadings.
326-08-070	Service of papers.
326-08-080	Who may issue subpoenas.
326-08-090	Service of subpoenas.
326-08-100	Procedures for settlement or disposition without a hearing.
326-08-110	Proposed decision—Preparation and service.
326-08-120	Objections to proposed decision.
326-08-130	Decision.

WAC 326-08-010 Purpose. The purpose of this chapter is to effectuate the intent of chapter 39.19 RCW by providing procedures for contested case hearings to review decisions of OMWBE to deny or to revoke certification or to refuse to renew certification of a business as an MBE or WBE. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-010, filed 4/5/84.]

WAC 326-08-015 Time for appeal. When an applicant has been denied certification, or when a MWBE's certification has not been renewed or has been revoked, the aggrieved party may request a hearing. The request must be made in writing and must be received by the office within thirty calendar days of the receipt of the decision denying certification, denying renewal of certification or revoking certification. [Statutory Authority: Chapter 39.19 RCW. 85-14-101 (Order 85-6), § 326-08-015, filed 7/2/85.]

WAC 326-08-020 General procedures rules. The provisions of chapter 10-08 WAC, "Uniform procedural rules for the conduct of contested cases" shall apply to hearings regarding certification by OMWBE. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-020, filed 4/5/84.]

WAC 326-08-030 Amendments apply to pending cases. An amendment to this chapter applies to cases pending at the time of the adoption of the amendment, unless the amendment or rule-making order says that it does not apply to pending cases. An amendment to this chapter does not require that anything already done be redone to comply with the amendment unless the amendment expressly says so. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-030, filed 4/5/84.]

WAC 326-08-040 Who may appear and practice. No person other than the following may appear in a representative capacity governed by this chapter:

(1) Washington lawyer. An attorney at law entitled to practice before the supreme court of the state of Washington.

(2) Other lawyer. An attorney at law entitled to practice before the highest court of record of any other state, if attorneys at law of the state of Washington are permitted to appear in a representative capacity before administrative agencies of such other state, and if not otherwise prohibited by Washington law;

(3) Legal intern. A legal intern licensed to engage in the practice of law in the state of Washington under Admission to Practice Rule 9;

(4) Officer, etc. A bona fide officer, partner, or full-time employee of an association, partnership, or corporation appearing for the association, partnership or corporation.

(5) Former employee of OMWBE. A former employee of OMWBE shall not, at any time after severing his or her employment with the office, appear, except with the written permission of the director as a representative or expert witness on behalf of a petitioner in a matter in which he or she previously took an active part as a representative of the office. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-040, filed 4/5/84.]

WAC 326-08-050 Notice of hearing. When OMWBE receives a request for hearing, a notice of hearing will be issued to all parties and to the office of administrative hearings as provided by RCW 34.04.090.

(1) Time. All parties shall be served with notice not less than twenty days before the hearing.

(2) Contents. The notice shall state the time, place, and nature of the hearing. Further, it shall state the legal authority and jurisdiction under which the hearing is to be held; a reference to the particular statute and rules involved; and a short and plain statement of the matters asserted. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-050, filed 4/5/84.]

WAC 326-08-060 Form of pleadings. Papers may be submitted in any form. OMWBE requests, but does not require, that all papers be typewritten on white paper of letter size (8 1/2" x 11"). [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-060, filed 4/5/84.]

WAC 326-08-070 Service of papers. Any paper filed with the administrative law judge shall be served on all parties in the manner described in WAC 10-08-110. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-070, filed 4/5/84.]

WAC 326-08-080 Who may issue subpoenas. Subpoenas may be issued by director of OMWBE, any OMWBE staff member designated by the director, the assigned administrative law judge, or an attorney at law who is the attorney for any party in the contested case as provided in RCW 34.04.105. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-080, filed 4/5/84.]

WAC 326-08-090 Service of subpoenas. Subpoenas may be served in any manner authorized by WAC 10-08-110. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-090, filed 4/5/84.]

WAC 326-08-100 Procedures for settlement or disposition without a hearing. With the approval of the administrative law judge, disposition may also be made of any hearing by stipulation, consent order or default. Any

person feeling aggrieved by the entry of an order of default may request the director to review the order by using the procedure outlined in WAC 326-08-130. The director will set aside an order of default only upon a showing of good and sufficient cause for such failure to appear or to request a postponement prior to the scheduled time for hearing. In the event such order of default is set aside, all interested parties shall be so notified in writing and the matter restored to the hearing calendar. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-100, filed 4/5/84.]

WAC 326-08-110 Proposed decision--Preparation and service. (1) Preparation. Within a reasonable time after the conclusion of the hearing before an administrative law judge, the administrative law judge shall prepare a proposed order for signature by the director of OMWBE. The proposed order shall conform to the requirements of WAC 10-08-210.

(2) Service. A copy of the proposed order shall be sent, by certified mail, to all parties. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-110, filed 4/5/84.]

WAC 326-08-120 Objections to proposed decision. Any party may make written objections to the proposed order. Any such objection must be served on the director and all other parties within ten days of service of the proposed order. An objection shall state specifically how the proposed order should be modified. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-120, filed 4/5/84.]

WAC 326-08-130 Decision. The director will issue a written decision no later than thirty days from the date the proposed decision is served on the parties. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-08-130, filed 4/5/84.]

WAC 326-20-050 Proof of ownership of business. All minority or women owners shall submit to the office proof of their ownership of the requisite percentage of the business at the time the application is submitted. Such proof shall consist of stock certificates, a notarized affidavit of stock ownership from the corporate treasurer, a partnership agreement, cancelled check used to purchase ownership, or other recognized proof of ownership. In cases of sole proprietorships or other cases where documentary proof of ownership is not available, the minority or women owners shall so advise the office, which may undertake further investigation. The office may also require documents showing how and when the minority or women owners' interest in the business was acquired. The office may, for any reason, require any minority or women owners to provide additional proof of, or information concerning, ownership. The office may request additional information regarding separate ownership of a business including, but not limited to, a separate property agreement. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-20-050, filed 4/5/84. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-050, filed 10/28/83.]

WAC 326-20-060 Community ownership. An ownership interest arising in a nonapplicant spouse solely because of the operation of community property laws will not disqualify the applicant spouse from certification. Both spouses must certify that:

(a) Only one spouse participates in the management of the business.

(b) The nonparticipating spouse relinquishes control over his/her community interest in the subject business. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-20-060, filed 4/5/84. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-060, filed 10/28/83.]

WAC 326-20-115 Signatures of applicant business owners. An application for certification must be signed under oath by all individuals claiming an ownership interest in the business regardless of the structure of the applicant business. Upon written request, OMWBE may accept the affidavit of a corporate officer or other designated representative, identifying the stockholders or owners by sex and race, and providing such other information as the office may require. [Statutory Authority: Chapter 39.19 RCW. 85-20-058 (Order 85-9), § 326-20-115, filed 9/26/85.]

WAC 326-20-120 Submittal of forms. Application forms shall be submitted by mail or in person to the office at the following address:

STATE OF WASHINGTON
OFFICE OF MINORITY AND WOMEN'S BUSINESS
ENTERPRISES
406 South Water
MS: FK-11
Olympia, WA 98504

**Chapter 326-20 WAC
CERTIFICATION**

WAC	
326-20-050	Proof of ownership of business.
326-20-060	Community ownership.
326-20-115	Signatures of applicant business owners.
326-20-120	Submittal of forms.
326-20-170	Decision.
326-20-180	Effect of certification.
326-20-185	Renewal of certification.
326-20-190	State MWBE directory.
326-20-210	Repealed.

**DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS
CHAPTER**

326-20-210	Reconsideration of decision. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-20-210, filed 4/5/84. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-210, filed 10/28/83.] Repealed by 85-07-006 (Order 85-2), filed 3/8/85. Statutory Authority: Chapter 39.19 RCW.
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The minority or woman owner shall be responsible for ensuring that the form is complete and accurate and is properly delivered to the office. The applicant should keep a copy of the completed form and all documents submitted with the form for its reference. [Statutory Authority: Chapter 39.19 RCW. 85-14-101 (Order 85-6), § 326-20-120, filed 7/2/85. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-120, filed 10/28/83.]

WAC 326-20-170 Decision. The office shall notify the applicant business by mail of its decision to grant or deny certification promptly after the decision has been made. The decision shall indicate whether the certification is for the state program, a federal program or both. Where the office has denied the application, the decision shall set forth the bases for denial. Where the office has denied certification because the women or minority owners did not meet the ownership criteria, this shall not preclude the office from denying the application on additional bases following resubmittal. [Statutory Authority: Chapter 39.19 RCW. 85-07-006 (Order 85-2), § 326-20-170, filed 3/8/85. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-170, filed 10/28/83.]

WAC 326-20-180 Effect of certification. Certification as a MWBE shall have the following effects:

(1) Certification as a MWBE for the state program shall entitle the MWBE to be counted by state agencies and educational institutions toward meeting their MWBE goals under this chapter. Certification as a MWBE for a federal program shall entitle the MWBE to be counted by state agencies and educational institutions toward meeting the MWBE goals under those programs. Certification shall be effective as of the date the decision is made in writing.

(2) Certification may be revoked at any time the office determines that the MWBE does not meet the current criteria for eligibility for certification. The MWBE shall notify the office of any changes in its ownership, control, or operations which may affect its continued eligibility as a MWBE. The duty of a business to cooperate with OMWBE investigation and the consent of a business to on-site investigation by OMWBE created in WAC 326-20-140 and 326-20-150 shall continue after a business is certified by OMWBE.

(3) Certification is effective for one year. The office may require of all applicants and/or of selected applicants periodic notarized statements regarding changes in the information provided during the initial certification process. The office will renew the certification annually as long as the applicant continues to meet the eligibility criteria.

(4) Certification as a MWBE does not constitute compliance with any other laws or regulations, including contractor registration or prequalification, and does not relieve any firm of its obligations under other laws or regulations. Certification as a MWBE does not constitute any determination by the office that the firm is responsible or capable of performing any work. [Statutory

Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-20-180, filed 4/5/84. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-180, filed 10/28/83.]

WAC 326-20-185 Renewal of certification. Each certified firm must submit a statement of present status prior to renewal of certification. The statement form will be provided to the certified business 60 days before expiration of its certification. Failure to return the completed form within 30 days may lead to decertification. [Statutory Authority: Chapter 39.19 RCW. 85-07-006 (Order 85-2), § 326-20-185, filed 3/8/85.]

WAC 326-20-190 State MWBE directory. The office will maintain a directory of certified MWBE's as follows:

(1) The office will maintain a complete directory of all MWBE's certified by the office for state projects and for federally-funded projects.

(2) The office will update and compile the directory into a form suitable for distribution annually and may issue supplements on a more frequent basis. The office will include in the supplements a list of those MWBEs removed from the list of certified firms at the conclusion of the administrative hearing process.

(3) The state MWBE directory will be available for purchase from the office at a reasonable cost. One copy will be made available to each state agency and educational institution at no charge. Copies will be provided to the state library.

(4) Bidders and others proposing to enter into contracts with state agencies and educational institutions shall have the responsibility of ensuring that firms proposed to be used by them toward MWBE goals are certified. State agencies and educational institutions contracting directly with a purported MWBE shall have the responsibility of ensuring that the firm is certified.

(5) Information concerning the status of a firm as a MWBE may be obtained by contacting the office during designated working hours. [Statutory Authority: Chapter 39.19 RCW. 85-07-006 (Order 85-2), § 326-20-190, filed 3/8/85. Statutory Authority: 1983 c 120 § 3(7). 83-22-045 (Order 83-3), § 326-20-190, filed 10/28/83.]

WAC 326-20-210 Repealed. See Disposition Table at beginning of this chapter.

Chapter 326-30 WAC GOAL SETTING RULES

WAC	Purpose.
326-30-010	Purpose.
326-30-020	Scope.
326-30-030	Procedure for setting overall annual goals.
326-30-035	Goals for 1983-84.
326-30-036	Goals for 1984-85.
326-30-037	Goals for 1985-86.
326-30-040	Agency/educational institution responsibilities.
326-30-050	Contents of agency/educational institution plan.
326-30-060	General exclusions from the contracting base.

326-30-070	Extraordinary exclusions from the contracting base.
326-30-080	Substitutions in contracts requiring MWBE participation.
326-30-090	Timely certification.
326-30-100	Agency/educational institution reporting of MWBE participation.
326-30-110	OMWBE monitoring of compliance.

WAC 326-30-010 Purpose. The purpose of chapter 120, Laws of 1983 and of this chapter is to provide the maximum practicable opportunity for increased participation by minority and women-owned businesses in public works contracts and in contracts for the procurement of goods and services from the private sector for state agencies and educational institutions. These rules set forth the procedures by which the overall annual goals for participation by minority and women-owned business enterprises are set and reviewed; the procedures each state agency and educational institution is to follow in attempting to achieve the goals and to report their performance; and the procedures to be used by the office of minority and women's business enterprises in monitoring compliance. [Statutory Authority: 1983 c 120, 84-03-005 (Order 83-7), § 326-30-010, filed 1/5/84.]

WAC 326-30-020 Scope. This chapter applies to all public works, personal service contracts, and procurement from the private sector of goods and services by state agencies and educational institutions. These rules do not pertain to agency/educational institution expenditures other than contracts for public works, personal service contracts, and for the procurement of goods and services for the agency/educational institution such as: Amortization; debt service; depreciation; employee benefits including but not limited to mileage, per diem, relocation expenses, and salaries; per diem for prospective state employees, members of institutions' boards and agencies' commissions; postage; relocation expenses for prospective employees; and transfers of charges. [Statutory Authority: 1983 c 120, 84-03-005 (Order 83-7), § 326-30-020, filed 1/5/84.]

WAC 326-30-030 Procedure for setting overall annual goals. The director of the office of minority and women's business enterprises will establish overall annual goals for participation in state contracts by qualified MBEs and WBEs for all state agencies and educational institutions. The annual period shall be the state fiscal year. The goals will be a percentage of the reporting base, all contracts awarded each year for public works, personal services, and for procurement of goods and services by state agencies and educational institutions that are not specifically excluded or generally excluded from the reporting base.

(1) Time for establishment of goals. The overall annual goals will be adopted each year by June 15.

(2) Distribution. The overall annual goals will be distributed to the head of each agency and educational institution on or before June 30 each year.

(3) Process used to establish goals. The director will review the overall annual goals each year and establish goals for the upcoming year. Factors to be considered in establishing the new goals shall include: The number of

certified minority and women's businesses, the success in attaining goals over the last year, the population of women and minorities in the state, and such other relevant information as may be available. [Statutory Authority: 1983 c 120, 84-03-005 (Order 83-7), § 326-30-030, filed 1/5/84.]

WAC 326-30-035 Goals for 1983-84. The annual overall goals of each state agency and educational institution for the period from September 1, 1983, through June 30, 1984, shall be 9.1 percent MBE and 3.0 percent WBE participation, based on the agency's or educational institution's total contracts subject to this chapter, less excluded contracts. [Statutory Authority: 1983 c 120, 84-03-005 (Order 83-7), § 326-30-035, filed 1/5/84.]

WAC 326-30-036 Goals for 1984-85. The annual overall goals for each state agency and educational institution for the period July 1, 1984 through June 30, 1985, shall be 9.1 percent MBE and 3.0 percent WBE participation, based on the agency's or educational institutions' total contracts subject to this chapter, less excluded contracts. [Statutory Authority: Chapter 39.19 RCW, 84-17-049 (Order 84-7), § 326-30-036, filed 8/13/84.]

WAC 326-30-037 Goals for 1985-86. The annual overall goals for each state agency and educational institution for the period July 1, 1985 through June 30, 1986, shall be 10.1 percent MBE and 6.0 percent WBE participation, based on the agency's or educational institutions' total contracts subject to this chapter, less excluded contracts. [Statutory Authority: Chapter 39.19 RCW, 85-20-058 (Order 85-9), § 326-30-037, filed 9/26/85.]

WAC 326-30-040 Agency/educational institution responsibilities. Each agency and educational institution shall be required to perform certain tasks each year.

(1) Formulate a plan for achieving annual overall goals. Each agency and educational institution shall formulate a plan for achieving the overall annual goals. The plan must be filed with OMWBE by July 30 each year.

(2) The agency's/educational institution's plans are forecasting devices designed to identify areas of opportunity for MWBE participation.

(3) Report contracting activity. Each agency shall file reports on a quarterly basis detailing the monetary value of contracts awarded and the amount of money disbursed and the percentage awarded and paid MBEs and WBEs. The reports shall be in the form prescribed and as described in this chapter. [Statutory Authority: 1983 c 120, 84-03-005 (Order 83-7), § 326-30-040, filed 1/5/84.]

WAC 326-30-050 Contents of agency/educational institution plan. The annual implementation plan prepared by each agency/educational institution shall include:

(1) An affirmation that the agency/educational institution is committed to use MWBEs to the maximum extent possible;

(2) The method the agency/educational institution will use to encourage MWBE participation in the public works, personal service contracts, and procurement contracting process;

(3) The method the agency/educational institution will use to achieve the overall annual goals. The agency/educational institution should:

(a) Identify the exclusions from the contracting base (described in this chapter) the agency/educational institution intends to use;

(b) Forecast the contracts to be awarded by the agency/educational institution including estimates of the probable monetary value involved; the number and type of contracts to be awarded; and the expected solicitation dates;

(c) Identify possible requests for extraordinary exclusion from the contracting base of contracts or classes of contracts;

(d) Identify the source and amount of funds to be received for transfer to other governmental entities;

(e) Identify expenditures to be made on multi-year contracts awarded in previous years;

(f) State the anticipated participation requirements of MBEs and WBEs in each contract or class of contract;

(g) State the method by which records of MBE and WBE participation in the contracting records will be kept; and

(h) Describe the method the agency/educational institution will use to require compliance by bidders for its contracts with the applicable MWBE participation requirements. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-050, filed 1/5/84.]

WAC 326-30-060 General exclusions from the contracting base. Certain exclusions from the reporting base against which achievement of the annual overall goals is computed will be allowed without requesting permission from OMWBE.

(1) Exclusions will be reviewed by OMWBE on an annual basis.

(2) Contracts solely for the purchase of the following items are allowable exclusions:

(a) Convention fees,

(b) Emergency purchases, those made in response to unforeseen circumstances beyond the control of an agency/educational institution which presents a real, immediate and extreme threat to the proper performance of essential functions and/or which may be reasonably expected to result in excessive loss or damage to property, bodily injury, or loss of life,

(c) Copyrighted materials,

(d) Personal service contracts for consultant services in preparation for litigation and expert witness fees,

(e) Funds received for transfer to other governmental entities,

(f) Purchases from other governmental agencies, including from cities and counties,

(g) Honorariums,

(h) Interagency purchases,

(i) Interagency reimbursements,

(j) Membership dues,

(k) Purchases from nonprofit and not-for-profit firms,

(l) Purchases for resale,

(m) Purchases from quasi-governmental agencies, e.g., utilities,

(n) Purchases from sheltered workshops,

(o) Purchases from sole source suppliers, those which can be obtained from only one vendor and can be documented as such,

(p) Subscriptions,

(q) Training films, and testing materials,

(r) Contracts which are not competitively awarded and which are awarded to all qualified applicants, e.g., physicians and day care providers, and

(s) Payments for travel made directly to a common carrier, not through a travel agency, whether by an agency/educational institution, or the employee. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-060, filed 1/5/84.]

WAC 326-30-070 Extraordinary exclusions from the contracting base. (1) Additional areas may warrant consideration by the office as exclusions from the contracting base. In those cases, the agency/educational institution may contact the director of OMWBE in writing and request an exclusion. The request must include justification for the exclusion.

(2) The decision of the director will be in writing. The director may, in his or her sole discretion, grant or deny the exclusion.

(3) A written decision will be made by the director within thirty days of receipt of the request by OMWBE.

(4) Exclusions granted pursuant to this section apply only to the contract or class of contracts specified in the request. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-070, filed 1/5/84.]

WAC 326-30-080 Substitutions in contracts requiring MWBE participation. (1) **MWBE prime contractor substitution.**

(a) Prior to award of the contract:

Where an MBE or WBE that is the apparent low bidder is decertified or indicates it is unable or unwilling to perform the contract prior to the award of the contract, the state agency or educational institution may follow its usual procedures for awarding to the next apparent low bidder, or rebid.

(b) After award of the contract to MWBE prime contractor but prior to the start of the work:

Where an MBE or WBE is decertified or indicates that it is unable or unwilling to perform the work after award of the contract, the agency or educational institution may follow its usual procedures for awarding to the next apparent low bidder, require the contractor to meet goals by obtaining certified subcontractors, or rebid. The agency or educational institution, may, in its discretion, determine whether an increase in the amount of the contract will be allowed based on the substitution.

(c) After start of work by MWBE prime contractor but prior to completion:

Where an MBE or WBE is decertified after commencing the work and the agency or educational institution determines that substitution is impractical, the decertified contractor may continue to perform the work, but only that percentage of the work performed by the MBE or WBE before the decertification may be counted towards the annual, overall goal attainment of the agency or educational institution.

Where an MBE or WBE prime contractor is unable or unwilling to complete the work, the agency or educational institution shall follow its usual procedures to seek performance of the contract, including the imposition of penalties or sanctions authorized by the contract and may pursue all other remedies allowed by law. Only the percentage of the work performed by the MBE or WBE before termination may be counted towards the annual, overall goal attainment of the agency or educational institution.

(2) MWBE subcontractor substitution.

(a) Prior to award of the contract:

Where an MBE or WBE selected as a subcontractor to meet the bid specifications is decertified or indicates it is unable or unwilling to perform the work, the agency or educational institution may require the contractor to substitute another certified MBE or WBE, respectively, to meet the contract specifications. The substituted firm may perform the same or a different part of the work as the original MBE or WBE.

(b) After award of the contract but prior to start of work by the general contractor:

After award of the contract but before commencement of the work, where an MBE or WBE selected as a subcontractor to meet the bid specifications is decertified or indicates it is unable or unwilling to perform the work, the agency or educational institution may require the contractor to substitute another certified MBE or WBE to meet the contract specifications as stated in the original bid. The substituted firm may perform the same or a different part of the work as the original MBE or WBE. The agency or educational institution, may, in its discretion, determine whether an increase in the amount of the contract will be allowed based on the substitution.

(c) After start of the work by the general contractor but prior to completion:

Where an MBE or WBE selected as a subcontractor to meet the bid specifications is decertified or indicates it is unable or unwilling to complete the work after the work has been started by the general contractor, and the agency or educational institution determines it to be impractical to substitute another MBE or WBE to perform that work or any other portion of the work at that point, then the contractor shall not be required to substitute. The percentage of work performed by the MBE or WBE before decertification or termination of the contract may be counted towards the annual, overall goal attainment of the agency or educational institution.

(3) Notice of substitution in quarterly report.

The agency or educational institution shall include in its quarterly report a section that identifies each substitution made during the quarter.

(4) Remedies.

In the event of default by a bidder or contractor, the educational institutions and agencies retain the right to pursue appropriate legal remedies. Nothing herein shall be construed to give any business the right to unilaterally withdraw its bid or terminate the contract. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-080, filed 1/5/84.]

WAC 326-30-090 Timely certification. Only businesses certified at the time of the submission of bids or proposals, or at the time the contract is awarded if competitive bidding is not utilized, may be counted toward the agency's or educational institution's attainment of the overall annual goals and as meeting the MBE or WBE participation requirement for a particular contract or class of contracts. Until September 1, 1984, a business will be considered certified if (1) the business is certified by OMWBE; (2) the business was certified by the Washington state department of transportation prior to July 1, 1983; (3) the business was certified by the Washington state department of transportation after July 1, 1983, but the certification application was received by the department before July 1, 1983; (4) the business was certified by the city of Seattle before July 1, 1983; or (5) the business was certified by the city of Seattle after July 1, 1983, but the certification application was received by the city prior to July 1, 1983. However, OMWBE may refuse to include in the directory of certified businesses or may remove from the directory those businesses certified by the city of Seattle or the Washington state department of transportation which the office has reason to believe may not be in fact owned and controlled by minorities or women, until the office has had time to investigate or to certify those businesses. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-090, filed 1/5/84.]

WAC 326-30-100 Agency/educational institution reporting of MWBE participation. (1) **Form.** Each state agency and educational institution shall report the participation of MBEs and WBEs in the public works, personal service, and procurement contracts executed by the agency or educational institution. The reports shall be made on a quarterly basis and an annual basis. The reports should designate contracts individually or by class according to the agency's designation in its annual plan. The reports shall also describe the agency's or educational institution's monitoring activity pursuant to sections 8 and 9, chapter 120, Laws of 1983.

(2) **When participation should be reported.** Participation by MBEs and WBEs in procurement of goods, services, and personal services shall be reported when money is disbursed. Participation by MBEs and WBEs in public works contracts should be reported both when the contract is awarded and when the money is disbursed.

(a) For contracts for procurement of goods, services, and personal services, the disbursement should be reported for the quarter in which it is made.

(b) For public works contracts, MBE and WBE participation shall be first reported by the agency or educational institution for the quarter that the contract is awarded. Reports on actual payments to MBEs and WBEs on a contract shall be accompanied by affidavits of payment to MBEs and/or WBEs executed by the prime contractors for those contracts. Where the performance under a contract extends beyond the fiscal year in which it is awarded, all payments made on the contract will be counted toward the agency's or educational institution's annual overall goal attainment for the year in which the payments are made. Where a contract is awarded to an approved joint venture, an affidavit of the actual disbursement of the funds to the joint venturers, signed by all of the joint venturers, shall accompany the report of disbursement.

(3) Counting MWBE participation toward meeting goals.

(a) Award to MBE or WBE. When a contract is awarded, in its entirety, to an MBE or WBE, one hundred percent of the payments on the contract can be counted toward annual, overall goal attainment in the category in which the prime belongs.

(b) Award to MBE or WBE prime contractor with non-MWBE subcontractor. When a contract is awarded to an MBE or WBE prime contractor with a non-MWBE subcontractor, one hundred percent of the total contract value can be counted toward annual, overall goal attainment.

(c) Award to non-MWBE prime contractor with MWBE subcontractor. When only a part of the contract is performed by an MBE or WBE, subcontractor, the dollar value of only that percentage of the total contract performed by the MBE or WBE can be counted toward annual, overall goal attainment.

(d) Award to MBE prime contractor with WBE subcontractor. When a contract is awarded to an MBE prime contractor with a WBE subcontractor, the dollar value of the percentage of the total contract performed by the WBE can be counted toward the agency's/educational institution's WBE goal attainment. The dollar value of the remainder of the contract can be counted toward attainment of the MBE goal.

(e) Award to WBE prime contractor with MBE subcontractor. When a contract is awarded to a WBE prime contractor with a MBE subcontractor, the dollar value of the percentage of the total contract performed by the MBE can be counted toward the agency's/educational institution's MBE goal attainment. The dollar value of the remainder of the contract can be counted toward attainment of the WBE goal.

(f) Joint venture. Where a contract is awarded to a joint venture that includes an MWBE that is responsible for performance of a clearly defined portion of the work, the dollar value, on a percentage basis, of the MWBE's portion of the work may be counted toward annual, overall goal attainment.

(g) Combination MWBE. Contracts performed totally by a combination MWBE, or partially by a combination MWBE shall be counted by dividing the total dollar value of the contract or portion of contract performed by the combination MWBE by two. One-half of the dollar value will be counted toward the agency's/educational institution's attainment of the MBE goal and one-half will be counted toward the agency's/educational institution's attainment of the WBE goal when the contract contains both MBE and WBE requirements. When the contract contains only an MBE requirement or a WBE requirement, only one-half of the dollar value of the combination MWBE's participation shall be counted toward the agency's/educational institution's attainment of the goal.

(h) Counting participation by a minority WBE. The agency/institution must count participation by a minority female in only the category she designated in her bid. Her participation cannot be counted toward attainment of both overall annual goals.

(i) Substitution of MWBEs. When an MBE or WBE which has been awarded a contract is decertified after award or indicates after award that it is unable or unwilling to perform the contract, the agency/institution may not count the MWBE participation toward its overall annual goal attainment.

Where an MBE or WBE is decertified after it has begun to perform the work and the agency/institution determines substitution is impractical, only the percentage of the work performed by an MBE or WBE before the decertification can be counted toward the annual, overall goal attainment of the agency/institution.

Where a certified MBE or WBE is substituted for a decertified business or a business that indicates it is unwilling or unable to perform the work, the dollar value of the work performed by the certified business can be counted toward the agency/educational institution's goal attainment in that category.

(4) Counting contract awards. MWBE participation shall be counted toward meeting goals in accordance with the following criteria:

(a) Where only one state agency/educational institution is involved in setting goals and in the award of the contract, the total dollar value of the contract awarded to or that portion of the work performed by minority and women's business enterprises is counted toward the agency's/educational institution's applicable MBE/WBE goals.

(b) Where a contract is awarded by a state agency/educational institution acting as an agent for another state agency/educational institution, the goals set by the agent and the total dollar value of the contract awarded to or that portion of the contract work performed by minority and women's business enterprises is counted toward the agent's applicable MBE/WBE goals. This includes contracts awarded by agents in areas usually included under the agency's/educational institution's delegated authorities. Where agents set and count goals, the total dollar value of the contract is excluded from the requesting agency's/educational institution's contracting base. [Statutory Authority: Chapter 39.19

RCW. 84-17-049 (Order 84-7), § 326-30-100, filed 8/13/84; 84-09-002 (Order 84-5), § 326-30-100, filed 4/5/84; 84-06-017 (Order 84-4), § 326-30-100, filed 2/29/84. Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-100, filed 1/5/84.]

WAC 326-30-110 OMWBE monitoring of compliance. OMWBE will independently monitor the participation of MWBEs in the contracts let by each state agency and educational institution.

The office will issue a report annually on the MWBE participation achieved by each agency and educational institution. The report will include the percentage of the dollar value of the contracts awarded in the reporting year that was paid to MBEs and WBEs. The report will be provided to the governor and the legislature as a part of the annual progress and economic impact report. [Statutory Authority: 1983 c 120. 84-03-005 (Order 83-7), § 326-30-110, filed 1/5/84.]

Chapter 326-40 WAC AGENCY/EDUCATIONAL INSTITUTION OPERATING PROCEDURES

WAC

326-40-010	Criteria for bid specifications—Monetary value.
326-40-020	Criteria for bid specifications—Averaging MWBE participation.
326-40-100	Joint venture approval.

WAC 326-40-010 Criteria for bid specifications—Monetary value. Where a contract for the purpose of goods or services is to be awarded on the basis of competitive bidding and includes goals for MBE and WBE participation, the award shall not be made on the basis of the vendor's level of MWBE participation unless the contract price is within the lower of 5% or \$5,000.00 of the lowest otherwise responsive bid (determined without regard to MWBE participation). [Statutory Authority: Chapter 39.19 RCW. 84-05-054 (Order 84-3), § 326-40-010, filed 2/22/84.]

WAC 326-40-020 Criteria for bid specifications—Averaging MWBE participation. Where a contract for the purpose of goods and services is to be awarded on the basis of competitive bidding, and includes goals for MBE and WBE participation, and no bidder whose bid is within the range established under WAC 326-40-010 meets the goals established for such contract, the agency shall treat as responsive any bid which is in all other respects responsive and is within the range established under WAC 326-40-010, and includes MBE and WBE participation equal to or greater than the average participation included in all competitive bids. Competitive bids shall include all otherwise responsive bids which are within 25% of the lowest otherwise responsive bid. Where no bid meets the criteria established above, an award may be made to the lowest otherwise responsive bidder who does not meet the MBE and/or WBE requirements. [Statutory Authority: Chapter 39.19 RCW.

85-07-006 (Order 85-2), § 326-40-020, filed 3/8/85; 84-05-054 (Order 84-3), § 326-40-020, filed 2/22/84.]

WAC 326-40-100 Joint venture approval. Money spent on contracts awarded to joint ventures can be counted toward goal attainment by agencies and educational institutions when the procedure outlined in this rule is followed.

(a) Contents of joint venture agreement. The joint venture agreement must be in writing and signed under penalty of perjury by all of the joint venturers. Each joint venture agreement shall specify the capital contribution made by each joint venturer; the control each will exercise; and the distribution of profit and loss. Each of these elements must be allocated in proportion to their contribution. The joint venture agreement must also identify the commercially useful function the joint venture will perform and the part of the work each joint venturer will do. The agreement must also specify which participant(s) are MBEs and which are WBEs and give documentations of MWBE certification.

(b) Requests for approval. Any joint venture may request approval by any state agency or educational institution. The request must be in writing, must include a written joint venture agreement and must contain a statement that gives the approving agency/educational institution authority to audit the joint venture. The agreement shall conform to the requirements of subsection (a) of this section. An agency/educational institution shall approve a joint venture which submits an agreement that contains each of these specified elements.

(c) Time of request. A request for approval of a joint venture must be submitted and approved before the time fixed for bid opening for contracts that are both competitively and noncompetitively awarded contracts. If the joint venture is not approved, the agency shall award to the lowest responsive bidder or rebid.

(d) Effect of approval. An approved joint venture is approved only for one specific contract. Disbursement of funds to an approved joint venture shall be counted toward goal attainment as described in WAC 326-30-100 (3)(f).

(e) Investigation. The agency or educational institution may request additional information from an enterprise seeking approval as a joint venture. Failure to provide the requested information shall result in the denial of the requested approval.

(f) Complaints. Complaints regarding the composition or validity of an approved joint venture shall be written and shall be made to the approving agency or educational institution and to OMWBE. The agency or educational institution shall fully investigate each complaint and issue a written report of its findings. The report will be provided to the complainant and to OMWBE. Concurrently, the office may investigate complaints pursuant to its rules and chapter 39.19 RCW. [Statutory Authority: Chapter 39.19 RCW. 84-09-002 (Order 84-5), § 326-40-100, filed 4/5/84.]

Chapter 326-50 WAC
PARTICIPATION PROGRAMS

WAC

326-50-010	Participation programs, purpose and intent.
326-50-020	Definitions.
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326-50-040	Implementation of business partnership program.
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326-50-060	Default by either party to the agreement of intent.

WAC 326-50-010 Participation programs, purpose and intent. It is the policy of the state of Washington to provide the maximum practicable opportunity for increased participation by minority and women-owned businesses in public works and the process by which goods and services are procured by state agencies and educational institutions from the private sector.

OMWBE is directed by RCW 39.19.030(1) to: "Develop, plan, and implement programs" to provide such opportunities for participation by qualified minority and women-owned businesses. OMWBE has found that there is a need to supplement the certification program in order to encourage MWBE participation in state contracts. Therefore, OMWBE will develop participation programs to advance the state of Washington's policy to mitigate the effects of societal discrimination, and to increase opportunities for minority and women-owned firms to do business with the state. The implementation of these programs will result in increased opportunities for MWBEs to develop and grow in the existing market place, and to assist them in establishing new business relationships with the state of Washington. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-010, filed 11/25/85, effective 3/1/86.]

WAC 326-50-020 Definitions. For purposes of chapter 326-50 WAC;

(1) "Non-MWBE firm" means a firm or business which is not certifiable as a MWBE under chapter 39.19 RCW and its implementing regulations, or a firm which has chosen not to seek certification as a MWBE;

(2) Solely for purposes of participation programs as used in chapter 326-50 WAC, "MWBE" shall mean:

(a) Either an enterprise certified by OMWBE on or before November 22, 1985; or an enterprise which is certified at any time, provided such enterprise has been engaged in bona fide business activities as a minority or woman-owned business for at least one year prior to the filing of an agreement of intent with OMWBE, and

(b) Either an enterprise which is incorporated in the state of Washington as a Washington domestic corporation; or an enterprise whose principal place of business is located within the state of Washington for enterprises which are not incorporated.

(c) Nothing contained in subsections (a) and (b) shall be construed to include or allow foreign corporations to participate in any participation program.

(3) "Participation program" means programs created to supplement the certification program to encourage MWBE participation in state contracts in the areas of

goods and services, construction, and personal services. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-020, filed 11/25/85, effective 3/1/86.]

WAC 326-50-030 Business partnership program—Purchased goods and services—Purpose and intent. (1) Purpose and intent. The primary purpose of this Participation Program I, hereinafter referred to as the business partnership program, is to increase opportunities for certified MWBEs to provide goods and services to state agencies and educational institutions. This program is designed to increase the number of MWBEs participating in state contracts, and to enhance the economic viability of certified businesses, by providing incentives to non-MWBE firms, both large and small, to develop ongoing business relationships with OMWBE certified firms.

(a) The business partnership program will be in effect as of March 1, 1986. This program is a prototype program, and will be periodically evaluated by OMWBE. After the program has been in effect for 12 months, OMWBE will evaluate the program to determine whether it is fulfilling the purposes for which it is designed.

(2) The program is designed to address several specific needs of minority and women firms by (a) increasing opportunities for vending goods and providing services, and (b) providing short-term and limited financial assistance, technical assistance, and networking. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-030, filed 11/25/85, effective 3/1/86.]

WAC 326-50-040 Implementation of business partnership program. (1) Agreement of intent—Contents of agreement. In order to claim business partnership credit for contracts or other assistance provided to MWBEs, an agreement of intent must be filed with OMWBE by the non-MWBE firm within seven days of the commencement of the supplier-service contract. The agreement of intent to be filed with OMWBE must include such information as required by OMWBE.

(2) Evaluation committee.

(a) An evaluation committee will review each agreement of intent and make a recommendation to the director. Evaluation committees appointed by OMWBE will consist of a representative from the private sector, a representative from the MWBE community, and a state agency representative. During the prototype phase of the program, the purchased goods and services workgroup, appointed by the OMWBE advisory committee, will serve as the evaluation committee.

(b) The office, through the evaluation committee, will monitor the progress of the agreement of intent against the details outlined in the agreement of intent as filed with OMWBE, or as approved under subsection (3) below.

(3) The director may approve the agreement, with or without modifications, or disapprove the agreement. Upon approval of the agreement, OMWBE will establish

an account for non-MWBE firms under the number assigned to the agreement of intent. Upon proof of completion of the agreement, or portions thereof if applicable, credits for the negotiated dollar value of the contract will be placed in the non-MWBE firm's account.

(4) The credit received by the non-MWBE firms will be calculated from the firm's documented expenditures. Prior to initiating a goods or service contract or other approved assistance, the non-MWBE firm must file an agreement of intent with OMWBE. Upon approval of the plan, the firm will thereafter document the actions that have been taken on behalf of MWBEs. The actual dollar value to be credited may be established either before or after the program is concluded, but the agreement of intent must set the standards for evaluation and receive approval by OMWBE. The amount of credit that will be given for any contracted good or service or other approved assistance will be established between OMWBE and the non-MWBE firm. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-040, filed 11/25/85, effective 3/1/86.]

WAC 326-50-050 Utilization of credits in business partnership account. (1) The credits in a non-MWBE firm's business partnership account may be applied only to goods and services contracts or requests for proposals. The credits cannot apply to MWBE requirements set on construction, public works, or personal services contracts.

(2) Only the value of those transactions requested and approved may be applied against MWBE requirements set by state agencies or educational institutions in meeting contract specifications.

(3) When the non-MWBE firm bids on a state contract, it may utilize the credit it has established with OMWBE by applying the credit against the MWBE participation requirements set on contracts or requests for proposals for purchase of goods and services.

(4) The state agency or educational institution shall give the non-MWBE firm equal consideration as other vendors utilizing certified MWBE vendors in evaluating the bids or requests for proposal. The state agency or educational institution may count the credit toward its annual overall goals.

(5) The credit obtained by an agreement of intent shall only be used once. Additional credits may be obtained by filing additional agreements of intent with OMWBE.

(6) If credits on file with OMWBE are invoked by the non-MWBE firm on more than one outstanding bid or proposal, the credits shall be utilized on the first contract awarded.

(7) The state agency letting a contract shall contact the OMWBE to verify the existence of credits on file at the time an apparent low bidder using business partnership credits to meet the MWBE requirements of the

contract is identified. The state agency letting the contract shall notify the OMWBE of the award of the contract, and the number of credits utilized by the non-MWBE firm to meet the MWBE requirements of the contract.

(8) If credits are used on one contract (first awarded), the non-MWBE firm, if the apparent low bidder, may be allowed a period of up to 24 working hours to secure new or additional MBE or WBE subcontractors. If written proof of subcontractors with new or additional MBE or WBE firms is not provided to the agency within that time, agency may award contract pursuant to WAC 326-40-020.

(9) The business partnership credits will remain in the account established for the non-MWBE firm for one year after the credits are accrued, or for one year from the time the contract in the agreement of intent is completed, as stipulated in the agreement of intent. All unused credit will be voided six months after the effective date, in the event the business partnership program is discontinued. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-050, filed 11/25/85, effective 3/1/86.]

WAC 326-50-060 Default by either party to the agreement of intent. The parties to the agreement of intent (the non-MWBE firm and MWBE firm) reserve their rights to pursue legal remedies based upon the underlying contract between them. In the event of default by either party, appropriate action can be taken by either to assure compliance or to recover damages. Approval of the agreement of intent by OMWBE does not constitute a ruling that the contract is in compliance with state laws, nor that either party is capable of performing its portion of the agreement. Approval of the agreement by OMWBE merely signifies that OMWBE believes the fulfillment of this agreement will further the goals of the program established by the state under chapter 39.19 RCW. If the MWBE is unable or unwilling to perform the agreement of intent, the non-MWBE firm may utilize its right to substitute under WAC 326-30-080. OMWBE also reserves the authority to apply the full range of sanctions available under the law against the parties to the agreement of intent, as appropriate, if perjured agreements of intent are filed, or spurious claims for credits are made. [Statutory Authority: Chapter 39.19 RCW. 85-24-010 (Order 85-10), § 326-50-060, filed 11/25/85, effective 3/1/86.]

Title 330 WAC

MUNICIPALITY OF METROPOLITAN SEATTLE

Chapter 330-01

Procedures for corridor and design public hearings under RCW 35.58.273.