1. Definition of Small Business:

There is general consensus around definition and less agreement on whether there should be certification or not. Definition of small business (could be inserted in RCW 39.04, 39.10 and/or 39.80)

"Small business" means a business that is independently owned and operated, is not dominant in its field of operations, and does not exceed the size limitations as set forth in the current table of North American Industrial Classification System (NAICS) codes or corresponding industry size standards as set forth in 49 C.F.R. Part 26 and amendments or inflationary adjustments thereof. No business, regardless of its primary NAICS code, is eligible for certification if it exceeds the largest annual revenue limit contained in 49 C.F.R. Part 26 and any amendments or inflationary adjustments thereof. The personal net worth of each individual owner of a small business may not exceed the personal net worth limitation in WAC 326-20-049, whichever is higher.

2.   Remove the term "Disadvantaged Business" from RCW 39.10

Throughout RCW 39.10, the term "disadvantaged business enterprises" is included, which creates the following issues:
  1.   It is a federal term that is not typically utilized within state statute.
  2.   It attempts to lump all certification types together, but instead opens the door to selective inclusion plans where it is even easier for primes to focus only on (larger) small businesses in their inclusion plans and outreach.

Amend RCW 39.10 to remove and replace the terminology:

Remove "disadvantaged business enterprise" from the definitions section, and then change it to "and women-, minority-, and veteran-owned businesses" in every instance.

3. Alternative Public Works Inclusion Plans:

Instead of specific language around prompt pay, the proposal is to take the three main access barriers identified in the BEDBI report and identify those barriers as potential features of 39.10 inclusion plans.

Amend RCW 39.10.200 to address inclusion plans:

The legislature finds that the traditional process of awarding public works contracts in lump sum to the lowest responsible bidder is a fair and objective method of selecting a contractor. However, under certain circumstances, alternative public works contracting procedures may best serve the public interest if such procedures are implemented in an open and fair process based on objective and equitable criteria. In addition, alternative public works contracting can provide increased access to contracting opportunities for women-, minority-, and veteran-owned businesses and small business entities. The purpose of this chapter is to authorize the use of certain supplemental alternative public works contracting procedures, to prescribe appropriate requirements to ensure that such contracting procedures serve the public interest and advance contracting opportunities for women-, minority-, and veteran-owned businesses and small business entities to the extent

permitted by law, and to establish a process for evaluation of such contracting procedures. It is the intent of the legislature to establish that, unless otherwise specifically provided for in law, public bodies may use only those alternative public works contracting procedures specifically authorized in this chapter, subject to the requirements of this chapter. It is also the intent of the legislature that inclusion plans required by this chapter may include, with public body approval and to the extent permitted by law, features to improve access to opportunities (including outreach and mentorship), capital (including, for example, modified payment provisions), training, and other features intended to maximize the participation and success women-, minority-, and veteran-owned businesses and small business entities.