

# CAPITAL PROJECTS ADVISORY REVIEW BOARD

## Legislation for Equity and Efficiencies in Public Works Including Modifying Small Works Roster Requirements

### FACT SHEET

#### Background

The Capital Projects Advisory Review Board and its committees in partnership with various state agencies and public and private stakeholder groups have worked to develop this bill for the 2023 Legislative session. CPARB unanimously support the proposed bill.

Key issues came out of two important reports requested by the legislature to CPARB:

- Addressing equity and efficiencies in public works procurement was initiated in the [Business Equity/Diverse Business Inclusion Report](#) to the Legislature in June 2022 (from [SB 5032](#), Sec. 20).
- Modifying and updating small works roster requirements was suggested in the [Local Government Public Works Study Report](#) to the Legislature in 2021 (from [ESHB 5418](#), Sec. 16.)

#### Key Points

- Provides a common definition for small businesses pursuing public works.
- Creates a small business certification program by OMWBE.
- Continues to protect the rights of workers.
- Streamlines small projects procurement:
  - Creates a statewide small public works roster.
  - Provides a direct contracting option.
  - Updates RCW references with various small works thresholds.
  - Requires owners to have a small business utilization plan to use direct contracting.
  - Aligns small works limits of ports & irrigation districts for parity with other agencies.
- Calls for periodic reviews by CPARB for small works thresholds starting in 2025.
- Removes barriers and encourages participation by small and diverse businesses:
  - Small works roster has provisions for direct contracting with certified small businesses, under certain conditions.
  - Certified MBE/MWBE/WBE/SEDDBE businesses will be provided small businesses certification without having to reapply.
  - Eliminates fees for small contractors and promotes the use of a statewide roster to reduce administrative time to small and diverse businesses seeking work.
  - Provides foundation for small and diverse businesses to build payment and performance bond experience with sureties and build credit history.
  - Discourages favoritism by prohibiting repeat awards to same contractor when direct contracting.
  - Adds features to inclusion plans for alternative public works projects.
  - Eliminates confusion between Federal DBE program and State certification programs.
- Effective date July 1, 2024, to allow adequate time for various agencies to develop rules, procedures and revisions to data systems. (July 1, 2023, for small works limit parity for ports & irrigation districts.)
- Success is dependent on funding for revisions to L&I, OMWBE, and MRSC systems.