

2024 -- H 7791

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO PUBLIC PROPERTY AND WORKS -- MINORITY BUSINESS
ENTERPRISE

Introduced By: Representatives Giraldo, Morales, and Alzate

Date Introduced: February 29, 2024

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 37-14.1-6 of the General Laws in Chapter 37-14.1 entitled "Minority
2 Business Enterprise" is hereby amended to read as follows:

3 **37-14.1-6. Minority business enterprise participation.**

4 (a) Minority business enterprises shall be included in all procurements and construction
5 projects under this chapter and shall be awarded a minimum of fifteen percent (15%) of the dollar
6 value of the entire procurement or project. Of that fifteen percent (15%), minority business
7 enterprises owned and controlled by a minority owner, as defined in § 37-14.1-3, shall be awarded
8 a minimum of seven and one-half percent (7.5%), and minority business enterprises owned and
9 controlled by a woman shall be awarded a minimum of seven and one-half percent (7.5%).
10 Annually, by October 1, the department of administration shall submit a report to the general
11 assembly on the status of achieving the aforementioned participation requirements in the most
12 recent fiscal year. The director of the department of administration is further authorized to establish
13 by rules and regulation the certification process and formulas for giving minority business
14 enterprises a preference in contract and subcontract awards.

15 (b) Any minority business enterprise currently certified by the U.S. Small Business
16 Administration as an 8(a) firm governed by 13 C.F.R. part 124 shall be deemed to be certified by
17 the department of administration as a minority business enterprise and shall only be required to
18 submit evidence of federal certification of good standing.

1 (c) The provisions of this chapter shall not be waived, including, but not limited to, during
2 a declared state of emergency.

3 (d) The state of Rhode Island will arrange for a disparity study to evaluate the need for the
4 development of programs to enhance the participation in state contracts of business enterprises
5 owned by women and minorities, to be repeated every five (5) years, beginning in fiscal year 2025.

6 (e)(1) The department of administration shall provide a list of certified minority and
7 women-owned business enterprises to each prospective contractor and no waiver for this chapter
8 shall be granted until after each prospective contractor receives assistance from the department of
9 administration with compliance of this chapter.

10 (2) Upon issuance of a waiver of compliance, the department of administration shall make
11 publicly available records of all waivers of compliance. Such records shall include:

12 (i) Information identifying the contract, including the value of the contract;

13 (ii) Information identifying the contracting agency;

14 (iii) The name of the contractor receiving the waiver;

15 (iv) The date of the waiver; and

16 (v) The specific contract provisions to which the waiver applies.

17 (f) Each contracting agency that substantially fails to make a good faith effort to achieve
18 the maximum feasible participation of minority and women-owned business enterprises in such
19 agency's contracting shall be required to submit to the director of the department of administration
20 a remedial action plan to remedy such failure.

21 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would require the department of administration to provide a list of certified
2 minority and women-owned business enterprises to each prospective contractor of a construction
3 project and would prohibit the issuance of a waiver from this requirement until the contractor
4 received assistance from the department.

5 This act would take effect upon passage.

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