

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	7 - 0 - 0
Yeas:	Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Smith P., Schaufler
Nays:	0
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	5/7

WHAT THE MEASURE DOES: Allows a contracting agency to limit competition for a public contract to certified emerging small business enterprises if the contract is estimated to cost \$100,000 or less and is funded by the Emerging Small Business Account.

ISSUES DISCUSSED:

- Overview of the Department of Transportation's Small Business Initiative
- Types of contracting opportunities that are funded by the Emerging Small Business Account
- Current statutory contract amount of \$50,000 was established in 1989

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Emerging Small Business (ESB) Program has been a part of the small business development tool kit at the Department of Transportation (ODOT) since its inception in 1989, when the legislature selected ODOT as the pilot agency for the initiative. To finance this undertaking, the statute created an ESB Account within the State Highway Fund. The account receives revenue generated from a one-percent charge against each public improvement highway construction contract awarded by ODOT.

SB 596 would allow participating agencies to increase the contract amount from \$50,000 to \$100,000 for contracts set aside for exclusive bidding by certified emerging small businesses contracting with ODOT when funded by the ESB Account.