



Washington State Office of

MINORITY & WOMEN'S Business Enterprises

House Community & Economic Development Committee

Work Session - January 26, 2021





OMWBE – Who we are

Established in 1983, OMWBE was created to mitigate societal discrimination and other barriers to minority and women owned businesses participating in public works and in providing goods and services.

> *"…. minority and women-owned businesses are significantly underrepresented and have been denied equitable competitive opportunities in contracting"*
>
> - RCW 39.19.010

Embodying our values and mission

- Improved hiring practices and outreach to partners to share opportunities with their networks
- Doubled our agency staff diversity
- Our diversity allows us to better serve the businesses we work for
- Consult regularly with our Advisory Committee



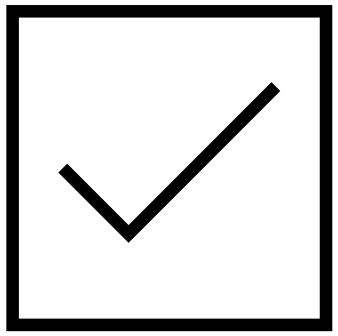
What we do – Core Services



- Certification
- Supplier Diversity
- Linked Deposit Program
- Governor's Subcabinet on Business Diversity

Washington State Office of MINORITY & WOMEN'S Business Enterprises

Certification



- OMWBE is the sole certifying entity for the state and federal programs in Washington State
- Maintain the certified business directory for state agencies, institutions of higher education, and prime contractors
- Conduct statewide outreach and relationship building to increase the certified business pool in areas it is most needed
- Provide business resources to certified businesses

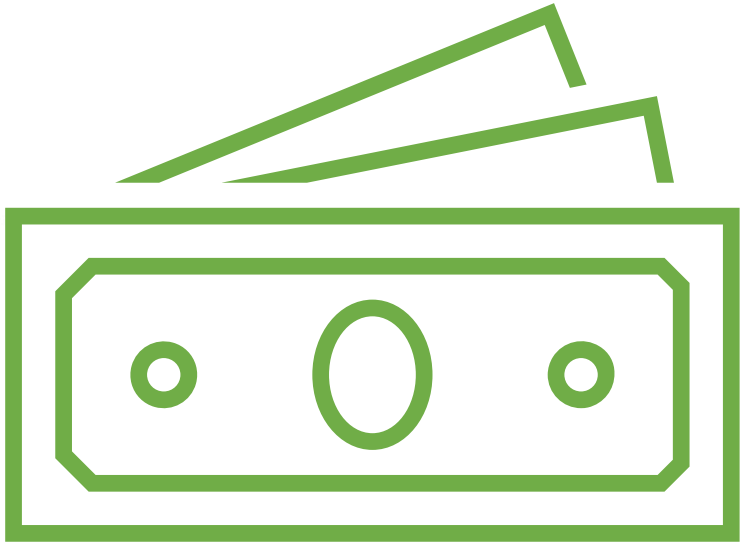
Supplier Diversity

- Analyze and report annual amount of agency and higher education spending with certified businesses

- Meet at least annually with over 70 agencies and institutions of higher education, and many prime contractors to:
  - Adopt inclusive contracting practices,
  - Establish and improve annual inclusion plans,
  - Measure progress towards increased inclusion, and
  - Increase their annual spend/work with minority and women owned businesses

Linked Deposit Program

- Provides access to capital for certified firms using surplus state funds to offer business loans at reduced interest rates
- Currently ~$60 million available and 10 participating financial institutions
- 229 firms with loans totaling over $115 million



Governor's Subcabinet on Business Diversity

- OMWBE has led the Subcabinet since Summer 2019
- Formed by Gov. Inslee in 2015, includes agencies accounting for 2/3rds of the overall state spend in the private sector
- Seeks statewide, sustainable, long-term solutions for equity in state contracting and procurement
- Implementing recommendations of the 2019 Washington State Disparity Study

Disparity Study Key Recommendations

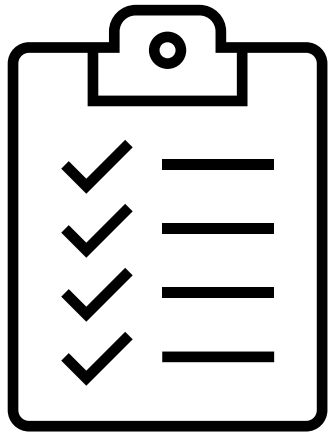
- ✓ Implement an electronic data collection and monitoring system for all state agencies to improve accuracy, consistency, and access to data
- ✓ Increase access to state contracting information for bidders
- ✓ Increase outreach to enhance certified business pool
- ✓ Increase technical assistance to certified businesses
- ✓ Implement inclusive best practices, such as longer solicitation times for contract bids, review contract size/scope, experience requirements, etc.
- ✓ Inclusive practices training for contract and procurement staff
- ✓ Develop and implement performance measures for success

Tools for Equity in Public Spending



- Best practices, tools, guides, templates, and more available on www.omwbe.wa.gov!
- Additional releases over the next year, plus training offerings on all topics
- OMWBE will monitor progress of agencies in using these tools and best practices, and measure statewide M/WBE participation

Our Priorities



- OMWBE & Subcabinet work and priorities are focused directly on the 2019 Disparity Study recommendations
- OMWBE 2020 legislative funding started the work, 2021 Legislative Priorities will ensure it continues
- Top priority: Complete the Business Diversity Management System, #1 recommendation from the Disparity Study and foundational for all other equity work.

2021 Legislative Priorities

Business Diversity Management System	$1.862M (partial ongoing)
Supplier Diversity Investments	$221K
Small Business Support & Community Engagement	$290K
Certification Unit Support	$256K
Language Access	$100K (one-time)

Why our work matters



- Supports all facets of the economy and helps "diversify" our economic investments, contributing to resiliency and recovery
- Promotes competition, innovation, and better quality service delivery for the government
- Small businesses make up a large part of our economy and over 51% of jobs, supporting success, prosperity, and resiliency of our communities and families
- Government contracts can provide stable, predictable work and help M/WBEs weather economic changes and grow their businesses

COVID-19 Impacts to M/WBEs

- Disproportionate impacts – amplifying existing inequities and systemic barriers
- Issues accessing Paycheck Protection Program (PPP) Loans and other financial support
- White business owners were 3x more likely to receive funds than Black and Hispanic business owners
- COVID-19 infections, remote work, and lack of childcare also affected minority owned businesses more in 2020



How can we help?

- OMWBE operating as a hub for information, innovating how we work, and focusing on virtual communications to support M/WBEs
- We should double our efforts – government contracts can provide a steady stream of work and cash-flow for businesses even when other work is difficult to obtain
- Investments in supplier diversity work to support all portions of our economy and communities
- Broadband access and digital equity investments: work, school, rural, etc.
- Funding to support small businesses in addition to federal assistance

Questions / Contact Us

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