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Gov. Wolf, Legislators Laud Proposed Legislation to Provide Consistent Support for Small, Diverse, Veteran Businesses

Harrisburg, PA – Governor Tom Wolf today applauded proposed legislation that will statutorily establish policies and programs to ensure that small, diverse and veteran-owned businesses continue to receive the support and opportunities they deserve in state contracting.

SB900 was announced at a press conference in the Capitol Media Center where PA Department of General Services Secretary Curt Topper and Deputy Secretary for Diversity Inclusion & Small Business Opportunities Kerry Kirkland were joined by Senate Democratic Appropriations Chairman Vincent Hughes and Senator Camera Bartolotta, the prime sponsors of the bill. Pennsylvania State Representatives Jake Wheatley, and Donna Bullock, Chair of the Legislative Black Caucus, also showed their support for the legislation.

The catalyst for the proposed legislation evolved from the Governor's 2015 Executive Order on <u>Diversity</u>, <u>Inclusion and Small Business Opportunities in Commonwealth Procurement and in Pennsylvania's Economy</u>. The order created the Bureau of Diversity, Inclusion and Small Business Opportunities, or BDISBO, within the Department of General Services, the Governor's Advisory Council on Diversity, Inclusion, and Small Business Opportunities and led to the <u>2018 Statewide Disparity Study</u> which examined disparities in the commonwealth's contracting system and made recommendations for improvement.

"We have been very successful in implementing policies and programs that give our small-, diverse- and veteran-owned businesses a fairer and more equitable chance to compete for – and obtain – contracting opportunities with state government," Governor Wolf said. "We also know the important role that consistency plays in ensuring the continued success of any policy or program, which is why this effort to legislatively establish the programs and policies administered through the Department of General Services Bureau of Diversity Inclusion & Small Business Opportunities is so significant.

"The progress we've made is a result of the willingness of elected officials and private sector stakeholders to put politics to the side and focus on the issue at hand – helping our small,

diverse and veteran businesses become stronger and thrive in our economy. This legislation is a continuation of those bipartisan efforts."

SB900 legislatively establishes the goal-setting program administered by the PA Department of General Services, Bureau of Diversity, Inclusion and Small Business Opportunities. Goal-setting establishes minimum SDB participation and spending commitment levels for solicitations for construction, design professional services, supplies and services. In addition, the legislation calls for a disparity study to be completed every five years to maintain the constitutionality of the programs and keep aspirational targets up-to-date for the goal-setting program. The legislation further removes the 100-employee limit from the definition of "Small Business" allowing size and revenue limits to be set on an industry-by-industry basis which is more consistent with federal program eligibility requirements.

Pennsylvania Department of General Services Secretary Curt Topper discussed the success the commonwealth has experienced and how this legislation will have a positive, lasting effect on the small, diverse and veteran business community.

"Since 2015, we've seen the creation of the first-ever advisory council for diversity, inclusion and small business opportunities; the first-ever disparity study for state contracting; the highest-ever participation and spending percentages and now this ground-breaking legislation will establish certainty for the future of those efforts," Topper noted. "Right now, we have more than 5,000 small, diverse and veteran businesses who will benefit from this legislation's intent to keep programs and policies in place to provide a financial benefit for these business by making them a focus of our spending plans. Hopefully, this commitment we're making will give these businesses more confidence in becoming certified in our programs."

Since 2015, the commonwealth has spent a total of nearly \$2.72 billon with small, diverse and veteran owned businesses. During that same time, the percentage of the total commonwealth spend that went to small, diverse and veteran businesses rose from 7.6 percent in 2015, to 17.9 percent in 2019.

Senate Democratic Appropriations Chairman Vincent Hughes and Senator Camera Bartolotta commented on the importance of this legislation and the role it will play in solidifying a place in state contracting for small, diverse and veteran business.

"With the introduction of the Diversity, Inclusion and Small Business Opportunity Legislation, we are taking the first steps to increasing the participation of small and diverse businesses in commonwealth contracts," Senator Hughes said. "These updates will give the Department of General Services the tools they need to encourage and enhance the participation in contracting from minority owned businesses, women owned businesses, veteran owned businesses and those businesses not dominant in their field. With this proposal, the commonwealth can become a nationwide leader in contracting participation by small and diverse business."

"As the proprietor of a small, woman-owned business, I know firsthand how important this legislation is in helping small and diverse businesses to not only compete for state contracts, but also to grow and contribute to our economy," Senator Camera Bartolotta said. "Small businesses are the lifeblood of our economy, and we have a responsibility to ensure that they are given the attention they deserve. With this legislation, I am confident that the Department of General Services will be able to attract more small and diverse businesses, expand the use of its programs, and strengthen our business community."

Visit the <u>Bureau of Diversity</u>, <u>Inclusion</u>, <u>and Small Business Opportunity</u> for more detailed information on the new policies and programs as well as the Wolf Administration's efforts to diversity state contracting and opportunities for small and diverse businesses.

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