



Commission Chair Franklin Donahoe
Representing Snohomish County

Commissioner Sara Franklin-Phillips
Representing South King County

Commissioner De'Sean Quinn
Representing South King County

Commissioner Sheila Reed Trahan
Representing Tri-Cities

Commissioner Dr. James Smith
Representing King County

Commissioner Dorian Waller
Representing Pierce County

Commissioner Andrea Caupain
Representing King County

Commissioner Will Howard
Representing Pierce County

Executive Director Edward O. Prince

Public Meeting Commission on African American Affairs Thursday, January 9, 2020

John A Cherberg Building SHR 3, Capitol Campus, Olympia, WA 98057
4:00 p.m. to 6:30 p.m.

Members present: Chair Hausa, Bruce, Franklin-Phillips, Kendricks, Sardinias, Executive Director Edward Prince and Executive Assistant Charlotte Kerney. Quorum established

Absent: Commissioners Caupain, Quinn, Smith and Waller

1:00 PM - Meeting called to order

1:05 PM – Director’s Report

- Introduction of new commission members, Joyce Bruce and Paula Sardinias
- Director Prince to add commissioners to the Slack feed.
- Met with a group of African Americans trying to get into the cannabis industry. New issues have come to light regarding equity and inclusion regarding the growing and retail of cannabis.
- African American Legislative Day details to be distributed to commissioners.

1:15 PM – I-940 Update

Washington State Training Commission will adopt the investigative team. Appears to be a good number of counties creating independent teams, but smaller counties will work in partnership with each other considering the availability of resources.

1:25 PM – Early Learning Initiative, Washington State Representative Laurie Dolan

House Bill 2661, The Fair Start for Kids Act and other legislation has been in the works for a while: it is a combined effort between House, Senate and the Governor’s office.

- **Considering the high cost and short supply of child care, the legislation seeks to increase eligibility for child care, early childhood development programs and services for children and families.**
- **Provides for increased rates, training, grants and services for early learning providers.**
- **Establishes new accounts and allowable fund uses.**

Provides more funding for more affordable child care/preschool/daycare for every child in Washington state. Currently only 1% of the state’s budget is spent on early learning. Last year, high education received an increase in funding and more money has been put into K-12. Rep. Dolan shares there is a lot of energy about this bill and looks forward to getting it though or pieces of it

through the legislature. Ninety percent of a child's brain develops by age five. Fair Start looks to align early learning services and programs into a high-quality continuum of care and education.

2:00 PM – Washington State Disparity Study, Lisa van der Lugt, Director and Rex Brown, Special Assistant to the Director – Office of Women and Minority Business Enterprises

Most people view OWMBE as only responsible for state and federal certification but their services have expanded over the last few years. 2619 Currently 2619 certified firms. 1213 are federal. OWMBE is sharing news of their Linked Deposit program: for certified firms using a participating lender they are eligible for a 2% interest rate reduction. In their Supplier Diversity efforts – OWMBE met with 63 state agencies over the year to share best practices.

The legislature found that minority and women owned business do not have equal access to contracts with state government. The mandated disparity study was concluded in June 2019. It's a basic calculation; the difference between how many contractors of minority and women's business enterprise status are selected on public contracts divided by the number of available minority and women contractors. Utilization is the difference between how many OWMBE had and how many were available. The study uses the North American Industry Classification System codes, the NICS codes, to track what areas in which we have different participation to determine the statistical utilization of the firms.

Commission: Are we not bidding on the right contracts? How is a smaller community receiving 30% more funds than African American businesses?

The 2019 study looked at more areas than what is usually analyzed. This is the first time the data was examined to this degree. The department wanted to make sure of what the populations were experiencing and the basic focus was and how steep any disparity being felt it was. Data is disaggregated by gender and race. Several requests asked for disaggregation by race and family ancestry, but the data isn't being collected thus an information deficit exists. This was a very large set of data and the first look. OWMBE wanted a large swath. Some of firms within the study were tribes - not individuals which has a disproportionate impact on the remaining sample. OWMBE is working with their partners to develop meaningful numbers in future samplings because of different provisions in some of the contracts.

For African Americans, despite being a small population in Washington, the disparity has been quantified. The courts have generally held the 4/5^{ths} rule (or the 80%) rule. That's where the inference of discrimination begins; under 80% under-utilized - over 100% over-utilized. This indicates how the courts use statistics.

Disparity ratios without client services: Client services contracts are not subject to competitive solicitation, so OWMBE looked at results without client services. What is the impact on communities when the data was disaggregated? When removed, the indicator was 2.6% - well below the 80% utilization threshold.

Census data compared to sales receipts; earnings. Found women and minorities far lag behind their white male counterparts.

Anecdotal data from 251 focus group participants found:

- Lack of technical assistance after certification
- Many of the large firms have shuttered their doors because of I-200. Some firms inquired how they could reopen those doors.
- Large contracts were often too much for small firms.

- Small firms found it difficult to access contract information online. (OMWBE made changes to correct this)
- Insurance, experience rating and bonding was thought of as a barriers
- Antiquated computer systems hinder the contract process. Implementation of some of the recommendations.

Recommendations:

- OWMBE will improve its outreach efforts
- Provide technical assistance for certified firms

2:45 PM – Public Comment. No public comment

3:00 PM – Adjourned