

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 802

AN ACT

To repeal section 37.020, RSMo, and to enact in lieu thereof one new section relating to nonprofit organizations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Section 37.020, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 37.020,
3 to read as follows:

4 37.020. 1. As used in this section, the following words
5 and phrases mean:

6 (1) "Certification", the determination, through whatever
7 procedure is used by the office of administration, that a legal
8 entity is a socially and economically disadvantaged small
9 business concern for purposes of this section;

10 (2) "Department", the office of administration and any
11 public institution of higher learning in the state of Missouri;

12 (3) "Minority business enterprise", a business that is:

13 (a) A sole proprietorship owned and controlled by a
14 minority;

15 (b) A partnership or joint venture owned and controlled by
16 minorities in which at least fifty-one percent of the ownership

1 interest is held by minorities and the management and daily
2 business operations of which are controlled by one or more of the
3 minorities who own it; or

4 (c) A corporation or other entity whose management and
5 daily business operations are controlled by one or more
6 minorities who own it, and which is at least fifty-one percent
7 owned by one or more minorities, or if stock is issued, at least
8 fifty-one percent of the stock is owned by one or more
9 minorities;

10 (4) "Socially and economically disadvantaged individuals",
11 individuals, regardless of gender, who have been subjected to
12 racial, ethnic, or sexual prejudice or cultural bias because of
13 their identity as a member of a group without regard to their
14 individual qualities and whose ability to compete in the free
15 enterprise system has been impaired due to diminished capital and
16 credit opportunities as compared to others in the same business
17 area. In determining the degree of diminished credit and capital
18 opportunities the office of administration shall consider, but
19 not be limited to, the assets and net worth of such individual;

20 (5) "Socially and economically disadvantaged small business
21 concern", any small business concern:

22 (a) Which is at least fifty-one percentum owned by one or
23 more socially and economically disadvantaged individuals; or, in
24 the case of any publicly owned business, at least fifty-one
25 percentum of the stock of which is owned by one or more socially
26 and economically disadvantaged individuals; and

27 (b) Whose management and daily business operations are
28 controlled by one or more of such individuals;

1 (6) "Women's business enterprise", a business that is:

2 (a) A sole proprietorship owned and controlled by a woman;

3 (b) A partnership or joint venture owned and controlled by
4 women in which at least fifty-one percent of the ownership
5 interest is held by women and the management and daily business
6 operations of which are controlled by one or more of the women
7 who own it; or

8 (c) A corporation or other entity whose management and
9 daily business operations are controlled by one or more women who
10 own it, and which is at least fifty-one percent owned by women,
11 or if stock is issued, at least fifty-one percent of the stock is
12 owned by one or more women.

13 2. The office of administration, in consultation with each
14 department, shall establish and implement a plan to increase and
15 maintain the participation of certified socially and economically
16 disadvantaged small business concerns or minority business
17 enterprises, directly or indirectly, in contracts for supplies,
18 services, and construction contracts, consistent with goals
19 determined after an appropriate study conducted to determine the
20 availability of socially and economically disadvantaged small
21 business concerns and minority business enterprises in the
22 marketplace. The commissioner of administration shall appoint an
23 oversight review committee to oversee and review the results of
24 such study. The committee shall be composed of nine members,
25 four of whom shall be members of business, three of whom shall be
26 from staff of selected departments, one of whom shall be a member
27 of the house of representatives, and one of whom shall be a
28 member of the senate.

1 3. The goals to be pursued by each department under the
2 provisions of this section shall be construed to overlap with
3 those imposed by federal law or regulation, if any, shall run
4 concurrently therewith and shall be in addition to the amount
5 required by federal law only to the extent the percentage set by
6 this section exceeds those required by federal law or
7 regulations.

8 4. The commissioner of administration may designate a
9 nonprofit organization as a minority business enterprise or
10 women's business enterprise for the sole purpose of competing in
11 other states, provided that the organization is headquartered in
12 Missouri and the collective majority of the organization's board
13 of directors and executive management in charge of daily business
14 operations are minorities or women.