



STATE OF WASHINGTON  
OFFICE OF GOVERNOR JAY INSLEE

**EXECUTIVE ORDER 22-01**

**EQUITY IN PUBLIC CONTRACTING**

**WHEREAS**, the Governor and state agencies have determined that minority-, women-, and veteran-owned businesses account for a disproportionately lower percentage of the billions of dollars that the state spends annually within the private sector for goods and services contracts and public works projects; and

**WHEREAS**, in response to this determination, in August 2015, I formed the Subcabinet on Business Diversity to focus on improving access for, and removing barriers to, contracting opportunities with Washington state government agencies for minority-, women-, and veteran-owned businesses; and

**WHEREAS**, in 2015, the Governor's Subcabinet on Business Diversity analyzed the root causes for the low level of state expenditures under contracts with minority-, women-, and veteran-owned businesses in order to provide recommendations for active measures that may promote equal opportunity in contracting for all persons, without discrimination; and

**WHEREAS**, the results of this root cause analysis led the Governor's Subcabinet on Business Diversity to commission a statewide disparity study in 2016 to determine the level of disparity in participation of minority-, women-, and veteran-owned businesses in Washington State contracting activity from 2012 through 2016 (the "2019 Washington State Disparity Study"); and

**WHEREAS**, the results of the [2019 Washington State Disparity Study](#) establish a compelling interest and legal responsibility for the state of Washington to address disparities and discrimination in its programs and services as part of its commitment to equity and a strong, resilient economy; and

**WHEREAS**, the 2019 Washington State Disparity Study recommended several race-neutral remedial actions agencies could take to accomplish greater equity in state contracting activities; and

**WHEREAS**, the Governor's Subcabinet on Business Diversity convened a group of subject matter experts (Community of Practice) from state agencies and institutions of higher education and from the minority-, women-, and veteran-owned business community to seek statewide, sustainable, big-picture solutions to address equity in public contracting and procurement and to help implement the recommendations from the 2019 Washington State Disparity Study; and

**WHEREAS**, the Community of Practice created the [Washington State Tools for Equity in Public Spending](#) to provide state agencies and other public entities tools, guidance, and support for consistent improvements in equity and inclusion in public contracting and procurement; and

**WHEREAS**, ensuring equitable contracting opportunities for minority-, women-, and veteran-owned businesses gives Washington state government access to a wider array of business solutions, helps drive innovation, and strengthens economic growth; and

**WHEREAS**, the success of minority-, women-, and veteran-owned businesses makes Washington's economy and families more resilient, strengthens our communities and improves the quality of life for all Washingtonians.

**NOW, THEREFORE, I**, Jay Inslee, Governor of the state of Washington, by virtue of the power vested in me by the Constitution and the statutes of the state of Washington do, effective immediately, hereby order and direct as follows:

### **Implementing Measures for Equity in Public Spending for Cabinet State Agencies**

- A. To facilitate statewide, uniform progress in equity and inclusion in state contracting and procurement for minority-, women-, and veteran-owned businesses, executive and small cabinet agencies shall take steps, including but not limited to these listed below, to implement recommendations from the [2019 Washington State Disparity Study](#):
1. Review, incorporate, and adopt, as appropriate, the [Washington State Tools for Equity in Public Spending](#).
  2. Prior to entering into new contracts, including master contracts, agencies will:
    - (1) search available directories for certified minority-, women-, and veteran-owned businesses able to provide the goods or services the agency seeks, (2) conduct outreach to ensure certified minority-, women-, and veteran-owned businesses are notified of any opportunities to compete for award of such contracts, (3) ensure that, as appropriate, contracting inclusion plans are discussed at pre-bid conferences, and (4) ensure that contracting inclusion plans are required when subcontracting opportunities may be part of the contract.
  3. The Office of Minority and Women's Business Enterprises (OMWBE) will lead efforts for enterprise-level electronic data collection and monitoring to identify gaps in the OMWBE directory and to track participation in public contracting and procurement per its authority and direction in [chapter 39.19 RCW](#).
  4. Agencies shall fulfill their existing responsibility under [chapter 39.19 RCW](#) to track and measure the participation of certified minority-, women-, and veteran-owned businesses in contracting and procurement, and shall implement and use a statewide electronic data collection and monitoring system, Access Equity, to enter highly detailed information relating to prime

vendors and subcontractors in public spending, improving both data and participation.

5. The Department of Enterprise Services (DES) will bolster the number of certified minority-, women-, and veteran-owned businesses on Master Contracts by examining existing policies and practices and improving access to information for minority-, women-, and veteran-owned businesses.
  6. The Washington State Department of Transportation (WSDOT) and DES will review bonding, insurance, retainage, and experience requirements to make recommendations to eliminate barriers to minority-, women-, and veteran-owned businesses in those areas.
- B. Each executive and small cabinet agency must designate a staff person or persons to oversee the implementation of this Executive Order for the agency to be included in the OMWBE inclusion plan. This staff person or persons:
1. Must have direct access to the agency's head or key executive sponsors responsible for operationalizing contracting and procurement change;
  2. Must ensure that, in consultation with OMWBE, the appropriate tools and recommended best practices are integrated in their agency's culture and business practices and used to meet their agency's procurement diversity goals; and
  3. Should be directly involved in the preparation of the OMWBE inclusion plan and/or the DES risk assessment.
- C. OMWBE will offer training, guidance, and technical assistance, in partnership with Subcabinet agency members, to state agencies to assist in implementing this order. OMWBE will partner with the DES to:
1. Consult with and provide technical assistance to agencies on the use of the [Washington State Tools for Equity in Public Spending](#) and
  2. Find and implement appropriate ways for each state agency to advance disparity study recommendations in a strategic, coordinated approach to improve contracting opportunities for minority-, women-, and veteran-owned businesses statewide.
- D. Executive and small cabinet agencies shall adopt and incorporate, as appropriate, the [Washington State Tools for Equity in Public Spending](#) within six (6) months of the adoption of this order. These agencies must periodically update their plans and actionable steps to achieve equity in public spending and review with OMWBE annually.
- E. Beginning no later than the end of FY 2023, OMWBE and Department of Veterans Affairs shall report quarterly on each agency's progress toward its goals for participation by certified minority-, women-, and veteran-owned businesses over the baseline established in FY 2022.

I invite other statewide elected officials, institutions of higher education, agencies of the judiciary, agencies of the Legislature, and boards and commissions to follow the provisions of this Executive Order.

This Order is effective immediately.

Signed and sealed with the official seal of the state of Washington on this 7th day of January, A.D., Two Thousand and Twenty-Two at Olympia, Washington.

By:

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Jay Inslee, Governor

BY THE GOVERNOR:

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Secretary of State