

# HOUSE BILL NO. 2639

## 99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GREEN.

6681H.011

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to assistance for minority business enterprises.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.1945, to read as follows:

**620.1945. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:**

(1) "Member of a minority", any individual who has been subjected to racial or ethnic prejudice or cultural bias because of his or her identity as a member of a group without regard to his or her individual qualities. Such groups shall include, but not be limited to, groups based on race, color, religion, sex, or national origin;

(2) "Minority business enterprise", a socially and economically disadvantaged small business concern that is organized for profit, that is performing a commercially useful function, and that is owned and controlled by another minority business enterprise or one or more members of a minority, at least fifty percent of whom are resident citizens of this state;

(3) "Owned and controlled", if one or more entities control at least sixty percent of the management and daily business operations of the business, and:

(a) For a corporation, if one or more entities own at least sixty percent of the voting stock; or

(b) For all other forms of businesses, if one or more entities own at least sixty percent of the business;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18           (4) "Socially and economically disadvantaged small business concern", the same  
19 meaning as ascribed under the Small Business Act, 15 U.S.C. Section 637(a). However, an  
20 individual whose personal net worth exceeds five hundred thousand dollars shall not be  
21 considered economically disadvantaged.

22           2. The department of economic development shall develop a program that will  
23 provide training and assistance to minority business enterprises that helps such minority  
24 business enterprises satisfy the criteria to secure bid, performance, and payment bonds,  
25 which are required to contract with federal agencies, state agencies, or political  
26 subdivisions of the state.

27           3. The department of economic development may secure letters of credit, as  
28 determined necessary by the department, to guarantee bid, performance, and payment  
29 bonds that such minority business enterprises are required to obtain in order to contract  
30 with federal agencies, state agencies, or political subdivisions of the state. The department,  
31 as it determines necessary, may secure letters of credit to guarantee bid, performance, and  
32 payment bonds under this subsection. Moneys for such program shall not exceed five  
33 million dollars in the aggregate.

34           4. The department of economic development may promulgate rules to implement  
35 the provisions of this section. Any rule or portion of a rule, as that term is defined in  
36 section 536.010, that is created under the authority delegated in this section shall become  
37 effective only if it complies with and is subject to all of the provisions of chapter 536 and,  
38 if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any  
39 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay  
40 the effective date, or to disapprove and annul a rule are subsequently held  
41 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted  
42 after August 28, 2018, shall be invalid and void.

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