

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 802

99TH GENERAL ASSEMBLY

2018

5440S.06T

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:

Section A. Section 37.020, RSMo, is repealed and one new section enacted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

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

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

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

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

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

9 (b) A partnership or joint venture owned and controlled by minorities in
10 which at least fifty-one percent of the ownership interest is held by minorities
11 and the management and daily business operations of which are controlled by one
12 or more of the minorities who own it; or

13 (c) A corporation or other entity whose management and daily business
14 operations are controlled by one or more minorities who own it, and which is at
15 least fifty-one percent owned by one or more minorities, or if stock is issued, at
16 least fifty-one percent of the stock is owned by one or more minorities;

17 (4) "Socially and economically disadvantaged individuals", individuals,
18 regardless of gender, who have been subjected to racial, ethnic, or sexual

19 prejudice or cultural bias because of their identity as a member of a group
20 without regard to their individual qualities and whose ability to compete in the
21 free enterprise system has been impaired due to diminished capital and credit
22 opportunities as compared to others in the same business area. In determining
23 the degree of diminished credit and capital opportunities the office of
24 administration shall consider, but not be limited to, the assets and net worth of
25 such individual;

26 (5) "Socially and economically disadvantaged small business concern", any
27 small business concern:

28 (a) Which is at least fifty-one percentum owned by one or more socially
29 and economically disadvantaged individuals; or, in the case of any publicly owned
30 business, at least fifty-one percentum of the stock of which is owned by one or
31 more socially and economically disadvantaged individuals; and

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

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

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

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

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

44 2. The office of administration, in consultation with each department,
45 shall establish and implement a plan to increase and maintain the participation
46 of certified socially and economically disadvantaged small business concerns or
47 minority business enterprises, directly or indirectly, in contracts for supplies,
48 services, and construction contracts, consistent with goals determined after an
49 appropriate study conducted to determine the availability of socially and
50 economically disadvantaged small business concerns and minority business
51 enterprises in the marketplace. The commissioner of administration shall
52 appoint an oversight review committee to oversee and review the results of such
53 study. The committee shall be composed of nine members, four of whom shall be
54 members of business, three of whom shall be from staff of selected departments,

55 one of whom shall be a member of the house of representatives, and one of whom
56 shall be a member of the senate.

57 3. The goals to be pursued by each department under the provisions of
58 this section shall be construed to overlap with those imposed by federal law or
59 regulation, if any, shall run concurrently therewith and shall be in addition to the
60 amount required by federal law only to the extent the percentage set by this
61 section exceeds those required by federal law or regulations.

62 4. **The commissioner of administration may designate a nonprofit**
63 **organization as a minority business enterprise or women's business**
64 **enterprise for the exclusive purpose of competing in other states,**
65 **provided that the organization is headquartered in Missouri and the**
66 **collective majority of the organization's board of directors and**
67 **executive management in charge of daily business operations are**
68 **minorities or women.**

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Bill

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