

SB 569: Organizations That Assist with COBID Certification

Dear Chair Taylor, Vice-Chair Bonham, and Members of the Senate Committee on Labor and Business,

On behalf of the Oregon Commission on Asian and Pacific Islander Affairs (OCAPIA) and our Procurement Equity Subcommittee, we are submitting this testimony in support of SB 569, with proposed amendments.

Many women and minority business owners, including commissioners, have either faced challenges in applying for COBID certification or been discouraged by the process. We are optimistic about Business Oregon's efforts to streamline the application process but believe some businesses may still face obstacles. We support a grant program to help organizations assist businesses with the certification process but propose the following amendments:

Modify Section 1(2) to: "The Oregon Business Development Department shall establish a program to provide grants to qualified nonprofit or community-based organizations that assist businesses in obtaining Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Veteran Business Enterprise (VBE), and/or Emerging Small Business (ESB) certification." We propose this amendment because our constituents do not only include minority business owners, but also women, veterans, small business owners, and those with intersecting identities (for example, as of December Business Oregon reported that 66% of ESBs were also women or minority-led).

Add Section 1(3)(d): "The resources the organization already has to support these efforts, including other sources of funding, and whether the organization charges business owners for support." We propose this amendment because some organizations already have significant resources and charge businesses for certification support. Safeguards should be implemented to prevent misuse of the grant program by opportunistic organizations.

Finally, we have concerns about Business Oregon's capacity. We are aware that the agency already struggles with staffing to prevent abuse of the COBID certification process by opportunistic companies. If the grant program is implemented, additional staff will be needed to manage the program and prevent additional misuse. While \$4,000,000 is proposed in Section 2, we request that adequate funding also be allocated to prevent opportunism at multiple levels, both by prospective grant recipients and businesses that should be ineligible for COBID certification.

OCAPIA is a partner and resource for legislators and agencies in ensuring the intent of bills are actualized and we urge the committee to support SB 569 with our proposed amendments.

