

Submitter: Ruppert Reinstadler

On Behalf Of:

Committee: Senate Committee On Labor and Business

Measure, Appointment or Topic: HB3646

I oppose HB 3646.

The state's procurement system should be rooted in fairness, transparency, and competition. Public contracts must be awarded based on objective criteria such as price, quality, performance, and capacity—not on ownership structure. By expanding preferences in this manner, the bill risks distorting the competitive bidding process, potentially increasing costs to taxpayers and limiting access for other qualified businesses, including many small, local, and minority-owned enterprises.

While employee-owned businesses play an important role in the economy, they already compete on a level playing field. Granting them additional preference—regardless of industry, capability, or cost-effectiveness—introduces a bias that is not necessarily aligned with the best value for public dollars or the specific needs of agencies.