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House Bill 1162 (COMMITTEE SUBSTITUTE)

By: Representatives Seay of the 93rd, Anderson of the 116th, Dean of the 48th, Brooks of the 54th, Hugley of the 133rd and others

A BILL TO BE ENTITLED AN ACT

- 1 To amend Chapter 5 of Title 50 of the Official Code of Georgia Annotated, relating to the
- 2 Department of Administrative Services, so as to change a definition relating to "The Small
- 3 Business Assistance Act of 1975"; to change provisions relating to qualifications for
- 4 certification as a minority business enterprise by the Department of Administrative Services;
- 5 to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 SECTION 1.

- 8 Chapter 5 of Title 50 of the Official Code of Georgia Annotated, relating to the Department
- 9 of Administrative Services, is amended by striking Code Section 50-5-121, relating to
- 10 definitions relative to "The Small Business Assistance Act of 1975," in its entirety and
- inserting in lieu thereof the following:
- 12 "50-5-121.

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- For the purposes of this part, the term:
- 14 (1) 'Department' means the Department of Administrative Services.
- 15 (2) 'Small business' means a business which is independently owned and operated. In
- addition, such business must have either fewer than 100 employees or less than \$1 \underset{10}
- million in gross receipts per year <u>averaged over the three most recently completed fiscal</u>
- 18 <u>years of operation; if the business has been in operation for less than three complete fiscal</u>
- 19 years, the business must average less than \$10 million in gross receipts for the completed
- 20 <u>fiscal years during which the business has been in operation.</u>"
- 21 SECTION 2.
- 22 Said chapter is further amended by striking Code Section 50-5-132, relating to eligibility and
- 23 procedures for certification as a minority business enterprise, in its entirety and inserting in
- 24 lieu thereof the following:

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- 1 "50-5-132.
- 2 (a) Any minority business enterprise that desires to claim such status under any law of this
- 3 state or any regulation promulgated pursuant thereto shall first apply for certification, in
- 4 addition to any other certification required by the provisions of 49 C.F.R. 23, to the
- 5 Department of Administrative Services. The certification procedures used by the
- 6 Department of Administrative Services for a minority business enterprise, as defined in
- 7 Code Section 50-5-131, shall be consistent with the Code of Federal Regulations outlining
- 8 federal Department of Transportation certification procedures for minority business
- 9 enterprises, disadvantaged business enterprises, and women business enterprises as defined
- in federal law.
- 11 (b) The Department of Administrative Services shall certify a business which meets the
- eligibility requirement of this part to qualify as a minority business enterprise. To qualify
- as a minority business enterprise, the business shall:
- 14 (1) Be a minority business enterprise;
- 15 (2) Submit any documentary evidence required by the Department of Administrative
- 16 <u>Services</u> to support its status as a minority business enterprise;
- 17 (3) Sign an affidavit stating that it is a minority business enterprise; and
- 18 (4) Be qualified to bid pursuant to the provisions of the Department of Administrative
- 19 Services and other state agencies; and
- 20 (5) Present:
- 21 (A) An application, including the entire business history of the operation;
- 22 (B) Birth certificates for all minority principals;
- 23 (C) If Native American, a tribal registration card or certificate;
- 24 (D) Current resumes on all principals, key managers, and other key personnel;
- 25 (E) A current financial statement;
- 26 (F) Proof of investment by principals;
- 27 (G) Loan agreements;
- 28 (H) Lease or rental agreement for space and equipment;
- 29 (I) Evidence of latest bond;
- 30 (J) If the applicant is a sole proprietor, a copy of a blank signature card;
- 31 (K) If the applicant is a partnership, a copy of the partnership agreement; and
- 32 (L) If the applicant is a corporation, articles of organization, corporation bylaws, copies
- 33 of all stock certificates, minutes of the first corporate organizational meeting, bank
- resolution on all company accounts, and a copy of the latest United States corporate tax
- 35 return.
- 36 (c) The Department of Administrative Services shall prepare and maintain a list of
- 37 certified minority business enterprises.

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(d) The Department of Administrative Services may deny certification to any minority 2 business enterprise which does not qualify as such under the provisions of this part. Any person adversely affected by an order of the Department of Administrative Services 3 denying certification as a minority business enterprise may appeal as provided in the 4 regulations of the Department of Administrative Services." 5

SECTION 3. 6

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All laws and parts of laws in conflict with this Act are repealed.