



# SENATE BILL 294: Fayetteville PWC/Small Business Enterprise.

2021-2022 General Assembly

|                       |  |                     |                 |
|-----------------------|--|---------------------|-----------------|
| <b>Committee:</b>     | House Rules, Calendar, and Operations of the House | <b>Date:</b>        | June 30, 2021   |
| <b>Introduced by:</b> | Sens. deViere, Clark                               | <b>Prepared by:</b> | Billy R. Godwin |
| <b>Analysis of:</b>   | Second Edition                                     |                     | Staff Attorney  |

**OVERVIEW:** *Senate Bill 294 would amend the Charter of the City of Fayetteville to allow the Fayetteville Public Works Commission (FPWC) to establish a small business enterprise program.*

**CURRENT LAW:** Chapter VIA of the Charter of the City of Fayetteville provides for the FPWC whose four members are elected by the Fayetteville City Council. The FPWC has the power and duty to manage, control, and operate the electric utility plant, waterworks, sewerage, and any other utility the Commission is authorized to undertake under the Charter and to fix all rates and rents for electricity, water, sewage, and all other utilities and public property under its management and control. The FPWC is authorized to make all contracts necessary to exercise its enumerated powers and duties.

**BILL ANALYSIS:** Senate Bill 294 would amend the Charter of the City of Fayetteville to authorize the FPWC to establish a race- and gender-neutral small business enterprise program to promote the development of small businesses in the Fayetteville Metropolitan Statistical Area and enhance opportunities for small businesses to participate in FPWC contracts. The FPWC would be authorized to do the following:

- Define "small business enterprise" as appropriate and consistent with the City's contracting policies.
- Establish subcontracting goals and good faith effort requirements as part of the program.
- Consider efforts to comply with program requirements in its award of FPWC contracts.
- Refuse to award a contract if the bidder failed to comply with the program's requirements.

The program would supplement specified public contract requirements, and it would not supersede goals or efforts established under State law to achieve veteran, minority, and women's business participation.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

**BACKGROUND:** Three other cities have similar small business enterprise programs: Charlotte (S.L. 2002-91, as amended by S.L. 2008-101), Durham (S.L. 2011-168), and Fayetteville (S.L. 2017-81).

*Staff attorney Kellette Wade of the Legislative Analysis Division substantially contributed to this summary.*

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