

ASSEMBLY BILL

No. 366

Introduced by Assembly Member Holden

February 14, 2013

An act to amend Section 8282 of the Public Utilities Code, relating to women, minority, and disabled veteran business enterprises.

LEGISLATIVE COUNSEL'S DIGEST

AB 366, as introduced, Holden. Women, minority, and disabled veteran business enterprises.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical, gas, water, and telephone corporations. Existing law authorizes the commission to establish rules for all public utilities, subject to control by the Legislature.

Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. Existing law requires the commission, by rule or order, to adopt criteria for verifying and determining eligibility of women, minority, and disabled veteran business enterprises for procurement contracts. The commission, by its rulemaking authority, has adopted General Order 156, applicable to certain electrical, gas, and telephone corporations, to effectuate these requirements. For the

purposes of these provisions, existing law defines a minority business enterprise as a business enterprise that is at least 51% owned by a minority group or groups; or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more of those individuals.

This bill would revise the definition of a minority business enterprise by providing that a minority business enterprise means that at least 51% of the business enterprise, or at least 51% of the stock in the case of a publicly owned company, is owned by one or more minority groups, or that the management and daily operations of the business are controlled by one or more members of a minority group.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8282 of the Public Utilities Code is
2 amended to read:

3 8282. For the purposes of this article, the following definitions
4 apply:

5 (a) “Women business enterprise” means a business enterprise
6 that is at least 51 percent owned by a woman or women; or, in the
7 case of any publicly owned business, at least 51 percent of the
8 stock of which is owned by one or more women; and whose
9 management and daily business operations are controlled by one
10 or more of those individuals.

11 (b) “Minority business enterprise” means a business enterprise
12 that is at least 51 percent owned by a minority group or groups;
13 or, in the case of any publicly owned business, at least 51 percent
14 of the stock of which is owned by one or more minority groups,
15 ~~and~~ *or* whose management and daily business operations are
16 controlled by one or more ~~of those individuals~~ *members of a*
17 *minority group*. The contracting utility shall presume that minority
18 includes Black Americans, Hispanic Americans, Native Americans,
19 and Asian Pacific Americans.

20 (c) “Disabled veteran business enterprise” has the same meaning
21 as defined in subdivision (g) of Section 999 of the Military and
22 Veterans Code.

- 1 (d) “Control” means exercising the power to make policy
- 2 decisions.
- 3 (e) “Operate” means being actively involved in the day-to-day
- 4 management and not merely officers or directors.

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