

1 AN ACT relating to public contracts.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 45A IS CREATED TO  
4 READ AS FOLLOWS:

5 *(1) The Finance and Administration Cabinet shall collect and maintain data on the*  
6 *race and ethnicity of the majority owner and operator of any business issued or*  
7 *administered a contract by the Finance and Administration Cabinet, that:*

8 *(a) Exceeds one thousand dollars (\$1,000); and*

9 *(b) Was awarded using the competitive process and small purchase procedures*  
10 *under KRS 45A.075.*

11 *(2) The race and ethnicity data collected under this section shall be captured using*  
12 *categories that satisfy the current United States Office of Management and*  
13 *Budget Standards for the Classification of Federal Data on Race and Ethnicity.*

14 *(3) Any business issued a contract that meets the requirements of subsection (1) of*  
15 *this section shall self-report the race and ethnicity of the majority owner of the*  
16 *business to the Finance and Administration Cabinet. The business may select*  
17 *more than one (1) category to reflect the race and ethnicity of the majority owner.*

18 *(4) Collection of race and ethnicity data under this section shall be in a manner*  
19 *prescribed by the Finance and Administration Cabinet pursuant to the authority*  
20 *of KRS 45A.035.*

21 *(5) Race and ethnicity data collected from a business under this section shall not be*  
22 *used in the process to award state contracts under KRS 45A.075 and shall only be*  
23 *used to comply with the reporting requirements under Section 2 of this Act.*

24 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 45A IS CREATED TO  
25 READ AS FOLLOWS:

26 *(1) Using the data collected under Section 1 of this Act, the Finance and*  
27 *Administration Cabinet shall annually compile a report and submit it to the*

1 Commission on Race and Access to Opportunity, within ninety (90) days  
2 following the end of the fiscal year. The report shall include but not be limited to:

3 (a) A comprehensive list of the total number of contracts and amounts awarded  
4 during the preceding fiscal year, including the business type and type of  
5 goods, services, or commodities, to:

6 1. All contractors and subcontractors categorized by race and ethnicity  
7 ownership;

8 2. Any business that is fifty-one percent (51%) or more owned and  
9 operated by a woman; and

10 3. Any business that is fifty-one percent (51%) or more owned and  
11 operated by a minority woman; and

12 (b) The rates of utilization of minority, women, and minority-owned and  
13 women-owned businesses in comparison to the drawn workforce areas by  
14 category of types of contracts awarded.

15 (2) If the reporting standards on race and ethnicity outlined in subsection (2) of  
16 Section 1 of this Act are amended, the report shall utilize the new categories  
17 established after twelve (12) months of data have been collected.

18 ➔Section 3. Section 2 of this Act shall take effect July 1, 2024.