
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1340 (Richardson) - Small business liaison: contract information

Version: February 20, 2026

Policy Vote: G.O. 14 - 0, B., P. & E.D. 11
- 0

Urgency: No

Mandate: No

Hearing Date: April 27, 2026

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Bill Summary: SB 1340 requires each state agency's small business liaison to annually submit a list of all current contracts and subcontracts and their total dollar amounts with a small business to the Office of Small Business Advocate (OSBA) and requires OSBA to post this information on its website.

Fiscal Impact:

- OSBA anticipates approximately \$137,000 in ongoing General Fund costs for one Analyst II position to support the workload associated with the bill's expanded data collection and publication mandates.
- The cumulative fiscal impact on the 154 state agencies and departments with designated small business liaisons required to comply with the bill's expanded reporting mandates is unknown. However, to the extent increased workload is absorbable within existing resources, the statewide fiscal impact may be minor.

Background: OSBA is housed within the Governor's Office of Business and Economic Development (GO-Biz), which acts as the central hub for economic development and job growth. OSBA directly serves the small business community through hosting summits, forums, and interagency meetings; maintaining resources for technical assistance, financing, and state procurement; holding webinars, and other outreach methods.

Current law requires a state agency that significantly regulates small businesses or that significantly impacts small businesses to designate at least one person to serve as a small business liaison utilizing existing personnel and resources. State agencies are required to widely publicize the position of small business liaison on the agency's website. OSBA is also required to establish a web portal that includes the name, telephone number, internet website, and email of the small business liaison.

The small business liaison is responsible for specified duties relating to interactions between the state agency and small businesses. This includes assisting the head of the state agency in ensuring that the procurement and contracting processes of the state agency are administered in order to meet or exceed the 25% small businesses participation goal, and developing and sharing innovative procurement and contracting practices from the public and private sectors to increase small business participation in state contracting and procurement.

Other responsibilities include receiving and responding to complaints received by the agency from small businesses, providing technical advice and assisting small businesses resolving problems and questions regarding compliance with the agency's

regulations and statutes, reporting small business concerns, and if appropriate, reporting recommendations to the agency secretary or to the agency head.

Proposed Law:

- Requires the small business advocate for each state agency to annually submit the following information to the Office of Small Business Advocate:
 - A list of all current contracts between the state agency and a small business.
 - A list of all contracts of the state agency that include a subcontract with a small business.
 - The total dollar amount of each contract or subcontract.
- Requires OSBA to post the above information on its internet website.

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