

Georgians First Commission

Meeting Minutes

September 27, 2019

Welcome

- A brief welcome and introduction was given by Georgia Ports Authority Executive Director, Griff Lynch.
- Georgians First Executive Director Scott Hilton provided a Director Update.
 - Overview of Georgians First Commission Vision and Values
 - Strategies: Market, Operations, and Service Delivery.
 - Looking forward; Task Force Committee Structures and Performance Metrics and Commission Results
 - Three task forces kicked-off July 1
 - Nine of twelve economic development regions visited in state-wide tour
 - Small business survey reaching over four thousand Georgians
 - Executive memo issued by Governor to reduce regulation
 - Task force recommendations presented to Governor's senior staff
 - Q2 Meeting Recommendations: Progress Update
 - Develop single-sign on portal for Georgia small businesses to use for interacting across state agencies.
 - Establish a small business award goal within DOAS' procurement spend.
 - Create an Emerging technology Commission to establish Georgia as a leader in a specific technology sector.
 - Create and assign a lead State call center position focused on improving customer call center response times across multiple agencies; Stephanie Aponte
 - E-Notary Legislation
 - Military Spouse occupational Licensing Reciprocity

Presentations

Ethics, Conflicts, and Official Actions - Patrick Connell

- Ethics for Georgia's Public Officers; Who, What, When, Where, and Why
 - GFC Commissioners are public officials – O.C.G.A. 21-5-3(22)
- Applicable Codes of Ethics
 - Code of Ethics for Government Service – O.C.G.A. 45-10-1
 - Code of ethics for members of boards, commissions, and authorities – O.C.G.A. 45-10-3
- Applicable Code of Ethics – Penalties
- Applicable Conflicts of Interest Rules
 - Part-time public officials with state-wide powers prohibitions; part-time employees' prohibitions; exceptions to prohibitions: O.C.G.A. 45-10-24.
 - Penalties to conflicts of interest: Penalties for violation of part; civil actions by Attorney General to collect penalties; violations by public official, agency head, or employee: O.C.G.A. 45-10-28
- Prohibition on contracts – O.C.G.A. 45-10-40

- Sale and purchase of merchandise or supplies for such institution whereby profit shall accrue to such board member.
- Acceptance by public officers of monetary fees or honoraria: O.C.G.A. 21-5-11
- Prohibition of Lobbying – O.C.G.A. 21-5-70, et seq.
- Annual disclosure statements concerning business transactions with state; public records – O.C.G.A. 45-10-26.
- Financial disclosure statement
 - Filing by public officers; filing by candidates for public office; filing by elected officials and members of the General Assembly; electronic filing; transfer of filings from the Secretary of State to the commission – O.C.G.A. 21-5-50.
- Open Records Statutes
- Open Meeting Statutes
- Open Meetings and Records
 - Rule of Thumb: When you are a public officer, assume everything you write, say and do outside of executive session or your attorney’s office is subject to public disclosure. This includes your personal computer, email account, cell phone, text messages, etc. – assume it can be and will be read by anyone.
- Abuse of Governmental Office – O.C.G.A. 16-10-1, et. seq.

Occupational Licensing Reform – Accenture

- Accenture’s task, and how it is accomplished; Project Activities
 - Discover and Describe, Co-Create, Document
- Measuring small business; workforce business metric
 - Nation-wide leading practices
 - Regulatory Board Reviews
 - Education and Outreach
 - Efficient Operations
 - Accessible and user-friendly content
- Occupational licensing in the state; Overview
 - The Secretary of State has administrative control of over forty occupations
 - 1 in 10 working Georgians is licensed by the Secretary of State; 489 thousand Georgians are directly impacted by licensing each year.
 - Of those 40 occupations, four occupations account for 71% of all licenses issued by the Secretary of State:
 - Nursing
 - Cosmetology
 - Engineers
 - General contractors
- Research methods; Rumble: an energetic workshop used to explore the journeys of all parties involved in occupational licensing – 32 participants, 10 industries.
- Research themes
 - The growing knowledge gap
 - State staff is sending an SOS
 - Licensing boards: the gatekeepers
 - Outdated data, systems and tools

- The mysticism of state laws
- Recommendation framework: simple, scalable, accessible, visible, maintainable, and measureable.
- Recommendation overview:
 - Occupational licensing education and outreach
 - Licensing board biennial
 - Reciprocity analysis tool
 - Maximize data collection
 - Enable call centers
 - Comprehensive digital standards and style guides
 - Progressive application process
 - License auto renewal mechanism
 - Remote board meeting portal
 - Consolidate licensing boards
 - Uniform occupational licensing law commission

Regulatory Reform – Esper Technologies

- Introduction
- Key Insights:
 - Georgia has 18,160 administrative regulations
 - Over 54% of regulations need review – out of date and/or contain references to repealed regulation.
 - The Department of Revenue has the highest number of regulations across executive branch agencies.
 - On average, a Georgia regulation was last reviewed in May, 2004.
- Methodology
- Summary of Findings
- Key Components of Top-Down State Regulatory Review
- Conclusion
- Appendix
 - Regulatory Outcomes Metrics
 - Executive-Led Regulatory Review Details
 - Executive-Led State Reform Outcomes
 - State Regulatory Review Checklists
 - Arizona
 - Delaware
 - Florida
 - Illinois
 - Kentucky
 - Maryland
 - Massachusetts
 - Michigan
 - Missouri
 - Nebraska
 - New Hampshire

- New Jersey
- Ohio
- Rhode Island
- South Carolina
- Tennessee
- Virginia
- Wisconsin

State Procurement for Small Business – McKinsey

- Improving Outcomes for Georgia Small Business, Atlanta Metro Chamber
- Executive Summary
 - Chair: Vickie Moreland
 - Commission members: Mark Horn, Brad Usry
- Georgia lags peer state in multiple measures of small business success including growth and survival rates.
- Georgia state procurement, representing \$3.8 billion in discretionary spend, is one lever by which government can impact small business outcomes.
- Recommendations in state procurement – 2 main categories: Increase small business participation in the state procurement process, and level the playing field for small businesses to compete.
 - Increase number of small businesses registered as suppliers with the state by 20% over the next four years (5% per year).
 - Increase percentage of contracts under \$25k awarded to small businesses in line with overall state goals.
 - Change DOAS policy to allow for informal, small-business exclusive bidding, where supported by market research, on contracts under \$100k by Q3 2020.
 - Create simplified RFX template to use with less complex proposals as appropriate by Q3 2020.
 - Consider setting a formal or informal target for state spend with small businesses.
 - Improve mechanisms for small business competitiveness (e.g. price match, technical scoring) by Q3 2020.
 - Continue creating opportunities for small businesses in statewide contracts.
- Overall, Georgia spends \$3.8 billion annually through state procurement, 13% of which goes to small businesses.
 - Georgia has room to increase share of spend with small business and to increase the percentage of dollars that remain in the state.
- Of one million Georgia small businesses, 2000 businesses were awarded state contracts in FY19; 34 of those businesses received 50% of spend.
 - The majority of Georgia's spend with small business is concentrated within a few companies.
- Small business owners described a number of pain points in pursuing state contracts today: levers for direct impact in procurement and enablers for small business in procurement.
 - 22% of contracts under \$25k went to small businesses, representing 8% more than overall government spend.

- Current FRx process can sometimes deter or preclude small businesses from participating in state procurement process.
 - Simplify the RFX process (e.g. common RFX template) and train purchasing officers to reduce barriers to small business participation.
- State procurement agencies vary in their use of formal and informal spend targets to support small business.
- Increasing small business participation in state procurement and ensuring they can compete has the potential to improve outcomes.
- DOAS will lead procurement initiatives over the next four years, with majority of impact taking place by the end of 2020.

Customer Experience for Small Business – Deloitte

- Global leader in providing strategic consulting and financial advisory services to government clients across the United States and around the world.
- Employs over 3,000 full time employees in Georgia.
- Small Business Experience Research – nearly 4,000 survey responses and field research in both urban and rural areas of the state.
- Survey Response Excerpts
 - Regulatory Burden - Approximately 33.6% of respondents see State Government as the primary source of regulatory burden, however, 61.5% of respondents feel it is easy to comply with state regulations that are specific to their sector.
 - Preferences for Information Sources – Respondents ranked online platforms as the most important resource when seeking information on state regulations.
 - Desired on-line resources – small businesses expressed that improving the ease of use of online resources and increasing the services provided online would be most useful to their business.
- Survey Response Excerpts from subgroups
 - Rural businesses responded with a unique set of challenges which includes increased reliance on direct contact when seeking information, limited internet access, and an inadequate labor pool.
 - Age of Businesses – newer businesses are more likely to have negative perceptions of Georgia’s regulatory environment and expressed greater need for additional tools than more established businesses.
 - Minority certified Businesses- minority certified businesses are more likely to have negative perceptions of Georgia’s regulatory environment, expressed greater need for additional tools, and expressed higher dissatisfaction with State interactions than other subgroups.
- Survey Response Excerpts; open-Ended Feedback; over 7,000 additional open-ended responses in experiences were collected and shared for the State’s review.
- Greenhouse Lab Overview
 - 12 key stakeholders participated in a half day interactive lab to prioritize how the Georgians First Commission can support Georgia’s small businesses.
 - Review of current state and best practices and prioritization of activities.
 - Participants were presented research and conceptual ideas, across key themes, to identify what initiatives could be further considered for Georgia.
 - Georgia Small Business Research

- Best Practices and Concepts
- Key Themes
- Menu of Ideas
- Prioritization and Resource Allocation – Participants were placed into two groups and asked to select 6 concepts from those that were chosen to be considered in Georgia. They were then asked to prioritize them and allocate resources represented in dollar values. Each group was provided \$100 to allocate.
- Proposed Next Steps – participants held a group discussion to discuss next steps and potential action items to take the prioritized initiatives from idea to reality.
 - Set targets
 - Deemed compliance
 - “Hold harmless” help desk
 - Introduce a Common Commencement Date
 - Consolidate boards
 - Regulatory Review Council
 - Focus on high-speed internet (rural)
 - Build a “no wrong door” one-stop-shop portal

Special Presentations

An Overview of the Digital Advisory Board for the State of Georgia – Dan Israel

- Digital Advisory Board includes a threefold mandate:
 - Create digital jobs throughout the state
 - Assist the Governor on “trade missions”
 - Recommend a bold initiative that the Governor can announce in 2020.
- The following sectors have been identified as high job growth categories for the state of Georgia, and the Digital Advisory Board will focus on them as part of Georgia’s digital growth strategy through 2023:
 - Agriculture; also known as “agtech.”
 - Cybersecurity
 - Finance; also known as “fintech.”
 - Healthcare; specifically biotech and medical devices.
 - Transportation; automotive and drone based
- The Governor’s office, the Department of Economic Development, and other key individuals will identify 18-25 members for the board. Board members will include entrepreneurs, corporate innovators, and companies in the targeted digital industries.
 - An “Executive Board” of 5-7 individuals will oversee the Advisory Board.
 - Josh Sommer
 - Dan Israel
- Activities and Timeline for the Digital Advisory Board
- Measuring Success
 - Based on how much its recommendations result in at least a 4% increase over the average in the following categories in the five targeted digital industries:
 - Number of new deals
 - Number of new jobs
 - Total dollar value

Women's Entrepreneurship; Georgia Women Lead – Leah Aldridge

- The Reality
 - 2018: Georgia ranked fifth in the United States for WBEs – over 40% of all Georgia businesses.
 - Georgia ranks #2 for fastest growth in number of WBEs, and 20th worldwide in its ability to attract and support high-potential women entrepreneurs.
- The Hard Numbers
 - 2007-2018: Georgia saw an 88% increase in the number of women business enterprises, 23.6% increase in the number of employees employed, and a 38% increase in sales (accounting for \$56,000,000 in sales).
 - African American WBEs increased by 181.4%
 - Asian American WBEs increased by 116%
 - Latina-owned Georgia businesses increased by 219.4%
- The Hard Reality
 - Women make up 50.1% of the Atlanta workforce and earn \$0.62 for every \$1 earned by men.
 - Women lose an average of 4% of hourly earnings for each child they have.
 - Georgia's minority business certification program does not include women - cutting off females from contracting and procurement opportunities.
 - Only 15.4% of Georgia's public company board seats are held by women.
- The Challenges
 - Fragmented market for education and skill-building, many require payment which is a barrier to entry.
 - Limited personal networks and business mentors.
 - Women are excluded from state minority contracting, grants, and tax deductions.
 - "Gender investing gap" - limited access to capital.
 - Few stories of female entrepreneurial success in marketplace.
- The Ask
 - Establish a GaWomenLead Task Force to support Women's Entrepreneurship with the goal of making Georgia the #1 state for Women Business Enterprises (currently ranked 5th).
 - Conduct needs assessment focused on access to capital, financial literacy, child care/work life balance, data portal or hub for info and resources, re-entering the workforce, etc.
 - Trey Taylor made a motion to approve, Ruel Joyner seconded the motion, after discussion the motion passed unanimously.