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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1353 Session of  
2006

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INTRODUCED BY TOMLINSON, D. WHITE, SCARNATI, PUNT, TARTAGLIONE,  
BOSCOLA, LOGAN, RAFFERTY, FONTANA, MELLOW, COSTA, DINNIMAN,  
KITCHEN, WENGER, WASHINGTON, ERICKSON, GREENLEAF, ARMSTRONG,  
C. WILLIAMS, PILEGGI, LEMMOND, REGOLA, MUSTO, WONDERLING AND  
BROWNE, OCTOBER 12, 2006

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REFERRED TO VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS,  
OCTOBER 12, 2006

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AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated  
2 Statutes, providing for contracting with veteran-owned  
3 businesses; and imposing duties on the Department of General  
4 Services.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Title 62 of the Pennsylvania Consolidated  
8 Statutes is amended by adding a chapter to read:

9 CHAPTER 22

10 VETERAN-OWNED BUSINESSES

11 Sec.

12 2201. Definitions.

13 2202. Regulations.

14 2203. Veteran-owned business participation goals.

15 2204. Duties of department.

16 2205. Bonding and progress payments.

17 2206. Business assistance offices.

1 2207. Report to General Assembly.

2 2208. Compliance with Federal requirements.

3 § 2201. Definitions.

4 Subject to section 2202 (relating to regulations), the  
5 following words and phrases when used in this chapter shall have  
6 the meanings given to them in this section unless the context  
7 clearly indicates otherwise:

8 "Veteran." A veteran of the armed forces of the United  
9 States, including, but not limited to, the National Guard, who  
10 has received an honorable discharge and who is domiciled in this  
11 Commonwealth.

12 "Veteran-owned business." A business that is owned or  
13 controlled by a majority of persons who are veterans.

14 § 2202. Regulations.

15 The department shall establish policy in accordance with this  
16 chapter for executive agencies and those independent agencies  
17 for which the department acts as purchasing agency and may  
18 promulgate regulations establishing detailed definitions of the  
19 words and phrases defined in section 2201 (relating to  
20 definitions) using, in addition to the criteria set forth in  
21 section 2201, other criteria as it deems appropriate. State-  
22 affiliated entities shall implement the policy for their  
23 procurement programs.

24 § 2203. Veteran-owned business participation goals.

25 Each purchasing agency shall have an annual goal of not less  
26 than 5% participation by veteran-owned businesses in all  
27 contracts entered into by the purchasing agency. The  
28 participation goal shall apply to the overall dollar amount  
29 expended by the purchasing agency with respect to the contracts.

30 § 2204. Duties of department.

1 The department shall have the following duties:

2 (1) Where feasible, provide appropriate staff who shall  
3 be responsible to the department and who shall serve within  
4 designated Commonwealth agencies to assist veteran-owned  
5 businesses in this Commonwealth in learning how to do  
6 business with Commonwealth agencies.

7 (2) Give special publicity to procurement procedures and  
8 issue special publications designed to assist veteran-owned  
9 businesses in learning how to do business with Commonwealth  
10 agencies.

11 (3) Compile, maintain and make available source lists of  
12 veteran-owned businesses for the purpose of encouraging  
13 procurement from veteran-owned businesses.

14 (4) Include veteran-owned businesses on solicitation  
15 mailing lists.

16 (5) Assure that veteran-owned businesses are solicited  
17 on each procurement for which the businesses may be suited.

18 (6) Develop special training programs to assist veteran-  
19 owned businesses in learning how to do business with  
20 Commonwealth agencies.

21 (7) Facilitate achievement of the participation goals  
22 for veteran-owned businesses under section 2203 (relating to  
23 veteran-owned business participation goals).

24 § 2205. Bonding and progress payments.

25 (a) Bonding.--Notwithstanding other provisions of this part,  
26 a purchasing agency may reduce the level or change the types of  
27 bonding normally required or accept alternative forms of  
28 security to the extent reasonably necessary to encourage  
29 procurement from veteran-owned businesses.

30 (b) Progress payments.--A purchasing agency may make special

1 provisions for progress payments as it deems reasonably  
2 necessary to encourage procurement from veteran-owned  
3 businesses.

4 § 2206. Business assistance offices.

5 The department shall establish, as it deems appropriate,  
6 business assistance offices throughout this Commonwealth to  
7 assist and carry out the provisions of this chapter.

8 § 2207. Report to General Assembly.

9 The department shall annually, before October 1, report in  
10 writing to the General Assembly concerning the awarding of  
11 contracts to veteran-owned businesses during the preceding  
12 fiscal year. The report shall include a list of all veteran-  
13 owned businesses that participated as contractors,  
14 subcontractors or suppliers during the preceding fiscal year for  
15 contracts if the number of contractors under a previously  
16 existing contract for the same supply or service is reduced to a  
17 single contractor or reduced by more than 50% of the number  
18 existing on December 31, 2006. In preparing the report, the  
19 department shall verify whether commitments made to veteran-  
20 owned businesses in the course of awarding these contracts have  
21 been maintained.

22 § 2208. Compliance with Federal requirements.

23 If a procurement involves the expenditure of Federal  
24 assistance or contract funds, the purchasing agency shall comply  
25 with Federal law and authorized regulations that are mandatorily  
26 applicable and that are not presently reflected in this part.

27 Section 2. This act shall take effect in 60 days.