SENATE AMENDED

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1600 Session of 2015

INTRODUCED BY MACKENZIE, ACOSTA, BARRAR, BIZZARRO, CORBIN, D. COSTA, DRISCOLL, FEE, GROVE, A. HARRIS, JOZWIAK, KINSEY, KNOWLES, MALONEY, MCNEILL, MILLARD, MURT, NEILSON, READSHAW, ROZZI, SCHLOSSBERG, SCHWEYER, THOMAS, WARD, WARNER, WHITE, COHEN, GILLEN, ROTHMAN, BRADFORD, KORTZ, MICCARELLI, NELSON, DUSH, GABLER AND DAVIS, SEPTEMBER 29, 2015

SENATOR VULAKOVICH, VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, IN SENATE, AS AMENDED, JUNE 14, 2016

AN ACT

1 2 3 4	Amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, in veteran-owned small businesses, further providing for definitions and for regulations and providing for business fee exemption.
5	The General Assembly of the Commonwealth of Pennsylvania
6	hereby enacts as follows:
7	Section 1. Chapter 96 of Title 51 of the Pennsylvania
8	Consolidated Statutes is amended by adding a subchapter heading
9	to read:
10	SUBCHAPTER A
11	PRELIMINARY PROVISIONS
12	Section 2. Section 9601 of Title 51 is amended to read:
13	§ 9601. Definitions.
14	Subject to section 9602 (relating to regulations), the
15	following words and phrases when used in this chapter shall have
16	the meanings given to them in this section unless the context

1 clearly indicates otherwise: 2 "Commonwealth agency." As defined in 62 Pa.C.S. § 103 3 (relating to definitions). 4 "Executive agency." As defined in 62 Pa.C.S. § 103 (relating 5 to definitions). 6 "Purchasing agency." As defined in 62 Pa.C.S. § 103 7 (relating to definitions). "Service-disabled." Being in possession of: 8 9 a disability rating letter issued by the United (1)10 States Department of Veterans Affairs; or 11 (2) a disability determination from the United States 12 Department of Defense. 13 "Service-disabled veteran-owned small business." A small 14 business owned and controlled by: 15 (1) a service-disabled veteran or veterans; or 16 (2) if approved by the Department of General Services, a 17 surviving spouse or permanent caregiver of a service-disabled 18 veteran. 19 "Small business." As defined in 62 Pa.C.S. § 2102 (relating 20 to definitions). "State-affiliated entity." As defined in 62 Pa.C.S. § 103 21 22 (relating to definitions). 23 "Veteran." [An individual who served on active duty in the 24 United States Armed Forces, including any of the following: 25 (1) A reservist or member of the National Guard who was 26 discharged or released from the service under honorable 27 conditions. (2) A reservist or member of the National Guard who 28

29 completed an initial term of enlistment or qualifying period 30 of service.

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1 (3) A reservist or member of the National Guard who was 2 disabled in the line of duty during training.] An individual 3 who served in the United States Armed Forces, including a reserve component or the National Guard, and who was 4 5 discharged or released from service under conditions other than dishonorable. 6 "Veteran-owned small business." A small business owned and 7 8 controlled by a veteran or veterans. 9 Section 3. Chapter 96 of Title 51 is amended by adding a 10 subchapter heading to read: 11 SUBCHAPTER B 12 PARTICIPATION 13 Section 4. Section 9602 of Title 51 is amended to read: 14 § 9602. Regulations. 15 Promulgation. -- The Department of General Services shall (a) 16 establish policy in accordance with this [chapter] subchapter 17 for executive agencies and independent agencies and may, in 18 consultation with the department, promulgate regulations 19 establishing detailed definitions of the words and phrases defined in section 9601 (relating to definitions) using, in 20 addition to the criteria set forth in section 9601, other 21 22 criteria as it deems appropriate, including the number of 23 employees and the dollar volume of business. 24 Implementation.--State-affiliated entities shall (b) implement the policy for their procurement programs. 25 Antifraud provisions.--The Department of General 26 (C) Services shall establish policy and promulgate regulations 27 28 establishing antifraud provisions to deter and penalize 29 businesses that are not owned by those who are service-disabled or by veterans but who falsely claim that they are in order to 30 20150HB1600PN3511 - 3 -

1	receive any action authorized by this [chapter] subchapter.
2	(d) NoticeNotice of the antifraud provisions and an
3	e-mail address and telephone number to report violations of the
4	antifraud provisions to the Department of General Services shall
5	be included, if feasible, in any application to be certified or
6	to be included in any source list authorized by this [chapter]
7	subchapter. The Department of General Services shall include in
8	its annual reports to the General Assembly information about the
9	number of businesses penalized for violating antifraud
10	provisions.
11	Section 5. Chapter 96 of Title 51 is amended by adding a
12	subchapter to read:
13	SUBCHAPTER C
14	BUSINESS FEE EXEMPTION
15	<u>Sec.</u>
16	9610. Definitions.
17	9611. Exemption.
18	<u>§ 9610. Definitions.</u>
19	As used in this subchapter, the following words and phrases
20	shall have the meanings given to them in this section unless the
21	context clearly indicates otherwise:
22	"Business fee." A fee required to be paid to the
23	<u>Commonwealth or an instrumentality of the Commonwealth A</u>
24	POLITICAL SUBDIVISION for starting or opening a business within
25	this Commonwealth. The term does not include a fee for
26	maintaining licensure or other requirement for continuing to
27	<u>operate a business.</u>
28	"Reservist." A member of a United States Armed Forces
29	reserve component or National Guard.
30	"Reservist-owned small business." A business owned and
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1	controlled by a member of a United States Armed Forces reserve	
2	component or National Guard.	
3	<u>§ 9611. Exemption.</u>	
4	(a) PaymentA veteran-owned or reservist-owned small	
5	business shall be exempt from the payment of a business fee.	
6	(b) ProofA veteran or reservist must provide the	
7	department OR LICENSING AUTHORITY OF A POLITICAL SUBDIVISION	<
8	with proof of the veteran's or reservist's status using any of	
9	the following WITH ANY BUSINESS APPLICATION:	<
10	(1) A copy of a Federal DD-214 form.	
11	(2) A copy of a Federal NGB-22 form.	
12	(3) A valid Federal Veterans' Administration card.	
13	(4) A valid Department of Defense-issued military	
14	identification card.	
15	(c) StatusThe Department of State OR LICENSING AUTHORITY	<
16	OF A POLITICAL SUBDIVISION, in consultation with other	
17	Commonwealth agencies, may determine an applicant's status as a	
18	veteran or reservist in accordance with this section.	
19	(d) Offenses	
20	(1) A person who fraudulently obtains a business fee	
21	exemption commits a misdemeanor of the third degree.	
22	(2) A person assigning, transferring or attempting to	
23	assign or transfer a business fee exemption or using or	
24	attempting to use a business fee exemption contrary to this	
25	section commits a misdemeanor of the third degree.	
26	(e) ReportingThe Department of State shall annually	
27	determine the total number of business fee exemptions issued	<
28	under this section. APPLIED FOR AND ISSUED AND THE TOTAL DOLLAR	<
29	AMOUNT OF THE EXEMPTIONS UNDER THIS SECTION AND SUBMIT A REPORT	
30	TO THE CHAIR AND MINORITY CHAIR OF THE VETERANS AFFAIRS AND	

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1	EMERGENCY PREPAREDNESS COMMITTEE OF THE SENATE AND THE CHAIR AND
2	MINORITY CHAIR OF THE VETERANS AFFAIRS AND EMERGENCY
3	PREPAREDNESS COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE
4	REPORT MAY BE SUBMITTED ELECTRONICALLY.
5	Section 6. The amendment of 51 Pa.C.S. §§ 9601 and 9602
6	shall not affect nor impair the status of any of the following
7	under 51 Pa.C.S. Ch. 96 or 74 Pa.C.S.:
8	(1) A veteran-owned small business.
9	(2) A service-disabled veteran-owned small business.

10 Section 7. This act shall take effect in 60 days.