THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 455

Session of 2021

INTRODUCED BY BARTOLOTTA, J. WARD, STREET, LANGERHOLC, COLLETT, GORDNER, PHILLIPS-HILL, SCAVELLO, YAW, REGAN, SCHWANK, MASTRIANO, ROBINSON AND MUTH, MARCH 19, 2021

REFERRED TO VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, MARCH 19, 2021

AN ACT

1 2 3 4	Amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, in veteran-owned small businesses, providing for miscellaneous provisions; imposing a penalty; and making an editorial change.
5	The General Assembly of the Commonwealth of Pennsylvania
6	hereby enacts as follows:
7	Section 1. Chapter 96 heading of Title 51 of the
8	Pennsylvania Consolidated Statutes is amended to read:
9	CHAPTER 96
10	[VETERAN-OWNED SMALL] <u>SERVICEMEMBER-OWNED</u> BUSINESSES
11	Section 2. Chapter 96 of Title 51 is amended by adding a
12	subchapter to read:
13	<u>SUBCHAPTER</u> D
14	MISCELLANEOUS PROVISIONS
15	Sec.
16	9621. Definitions.
17	9622. Veteran-owned, reservist-owned or National Guard-owned
18	business logotype.

- 1 9623. Nonprofit membership association.
- 2 § 9621. Definitions.
- 3 As used in this subchapter, the following words and phrases
- 4 shall have the meanings given to them in this section unless the
- 5 <u>context clearly indicates otherwise:</u>
- 6 "Nonprofit membership association." A nonprofit organization
- 7 whose mission is to support veterans, reservists, national quard
- 8 members, their spouses and families
- 9 § 9622. Veteran-owned, reservist-owned or National Guard-owned
- business logotype.
- 11 (a) Logotype. -- Except as provided under section 9623(1)
- 12 (relating to nonprofit membership association), the Adjutant
- 13 <u>General shall develop and design an official Commonwealth</u>
- 14 logotype to be used by a veteran-owned, reservist-owned or
- 15 National Guard-owned business, which shall include the
- 16 Commonwealth Coat of Arms and the words "Pennsylvania veteran-
- 17 owned business, " "Pennsylvania reservist-owned business" or
- 18 "Pennsylvania National Guard-owned business."
- 19 (b) Application. -- Except as provided under section 9623(2),
- 20 the Adjutant General shall develop an application, criteria and
- 21 affirmation upon which an eligible business may apply for the
- 22 issuance and use of a logotype under this section.
- (c) Eligibility.--Except as provided under section 9623(3),
- 24 the following shall apply:
- 25 (1) The Adjutant General shall verify the military
- 26 service status of a business owner seeking status as a
- 27 <u>veteran-owned business, reservist-owned business or National</u>
- 28 Guard-owned business. Nothing under this paragraph shall
- 29 prohibit the Adjutant General from working with another State
- 30 agency to process verification.

- 1 (2) A business that is verified by the Department of
- 2 General Services under 62 Pa.C.S. Ch. 22 (relating to diverse
- 3 <u>and disadvantaged businesses</u>) shall be approved and issued a
- 4 <u>logotype under this section without additional verification.</u>
- 5 (d) Notice. -- Within 10 days of the creation of a logotype
- 6 under this section and the establishment of the criteria
- 7 <u>necessary to receive, use and display a logotype and the</u>
- 8 applications and instructions on how to complete and submit an
- 9 application, the Adjutant General shall post on a publicly
- 10 accessible Internet website of the department, a notice that:
- 11 (1) A logotype under this section is available to an
- 12 <u>eligible business.</u>
- 13 (2) Includes the criteria necessary to receive, use and
- display a logotype and allows for access to the applications
- and instructions on how to complete and submit the
- 16 applications.
- 17 (e) Issuance.--Except as provided under section 9623(4), the
- 18 Adjutant General shall issue a logotype to an applicant deemed
- 19 eligible under subsection (c).
- 20 (f) Duties.--If, within 90 days of the effective date of
- 21 this section, the Adjutant General has not performed a duty
- 22 <u>under subsection (a), (b), (c) or (e), the Adjutant General</u>
- 23 shall, within 120 days of the effective date of this section
- 24 approve a nonprofit membership association to perform all of the
- 25 duties as provided under section 9623.
- 26 (q) Fee.--
- 27 <u>(1) An initial fee of \$250 is established for the</u>
- issuance of a logotype.
- 29 (2) A renewal fee of \$100 is established. Renewal fees
- 30 shall be paid every five years.

Τ	(3) Fees collected under this subsection shall be used
2	as follows:
3	(i) Fifty percent of the fee shall be transferred to
4	the Veterans' Trust Fund.
5	(ii) Fifty percent of the fee shall be used for
6	administrative costs.
7	(4) If a nonprofit membership association is chosen
8	under subsection (f) or section 9623, the nonprofit
9	membership association shall:
10	(i) collect the fee under this subsection;
11	(ii) transfer 50% of the fee quarterly to the
12	Adjutant General for disposition under paragraph (3)(i);
13	(iii) retain 50% of the fee for administrative
14	costs; and
15	(iv) annually submit an audit to the Auditor General
16	of the fees collected, transferred and retained under
17	this paragraph.
18	(5) The Adjutant General shall adjust the fee amounts
19	under this subsection every three years to reflect any upward
20	changes in the Consumer Price Index for All Urban Consumers
21	for the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD area in
22	the preceding 12 months and shall transmit the adjusted fee
23	amount to the Legislative Reference Bureau for publication as
24	a notice in the Pennsylvania Bulletin. The fee shall be
25	adjusted by multiplying the annual fee amount by any
26	percentage increase to the Consumer Price Index for All Urban
27	Consumers for the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
28	area, rounded to the nearest \$10. The resultant product shall
29	be added to the fee amount, and the sum shall become the new
3.0	annual fee amount under this subsection

- 1 (h) Penalty.--
- 2 (1) An individual commits a misdemeanor of the third
- 3 <u>degree if the individual fraudulently holds the individual</u>
- 4 <u>out to be a veteran, reservist or National Guard member for</u>
- 5 <u>the purpose of obtaining or using a logotype under this</u>
- 6 <u>subchapter.</u>
- 7 (2) Notwithstanding any other provision of law, the full
- 8 <u>amount of each fine collected for a violation of paragraph</u>
- 9 <u>(1) shall be deposited into the Veterans' Trust Fund.</u>
- 10 (i) Report. -- By March 31st of each year, the Adjutant
- 11 General shall prepare an annual report on the number of veteran-
- 12 <u>owned businesses</u>, reservist-owned businesses and National Guard-
- 13 <u>owned businesses issued the logotype, the annual applications</u>
- 14 and revocations of the logotype and the administration fees
- 15 <u>collected during the preceding year. A copy of the report shall</u>
- 16 <u>be sent to the Veterans Affairs and Emergency Preparedness</u>
- 17 Committee of the Senate and the Veterans Affairs and Emergency
- 18 Preparedness Committee of the House of Representatives.
- 19 § 9623. Nonprofit membership association.
- 20 Except as provided under section 9622(f) (relating to
- 21 veteran-owned, reservist-owned or National Guard-owned business
- 22 logotype), the Adjutant General may approve a nonprofit
- 23 membership association to do all of the following:
- (1) Develop and design the logotype under section
- 25 9622(a). The Adjutant General shall oversee the development
- and design of any logotype developed and designed under this
- 27 paragraph.
- 28 (2) Develop an application, criteria and affirmation
- 29 under section 9622(b). The Adjutant General shall oversee the
- development of an application, criteria and affirmation under

- 1 <u>this paragraph.</u>
- 2 (3) Verify the military service status of business
- 3 owners seeking status as a veteran-owned business, reservist-
- 4 <u>owned business or National Guard-owned business. Nothing</u>
- 5 <u>under this paragraph shall prohibit the nonprofit membership</u>
- 6 <u>association from working with State agencies to process</u>
- 7 verification. Businesses that are verified by the Department
- 8 of General Services under 62 Pa.C.S. Ch. 22 (relating to
- 9 diverse and disadvantaged businesses) shall be approved and
- issued a logotype under this section without additional
- 11 verification.
- 12 (4) Issue a logotype to an applicant deemed eligible
- under section 9622(e).
- 14 Section 3. This act shall take effect in 60 days.