

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1316 Session of 2011

INTRODUCED BY MICCARELLI, WHEATLEY, ADOLPH, AUMENT, BAKER, BARBIN, BARRAR, BEAR, BENNINGHOFF, BOBACK, B. BOYLE, BRENNAN, BROWNLEE, CALTAGIRONE, CARROLL, CHRISTIANA, CLYMER, D. COSTA, P. COSTA, COX, CUTLER, DAVIDSON, DAVIS, DEASY, DeLUCA, DePASQUALE, DERMODY, DeWEESE, DiGIROLAMO, ELLIS, EMRICK, EVERETT, FABRIZIO, FARRY, FLECK, FREEMAN, GABLER, GALLOWAY, GEIST, GEORGE, GERBER, GIBBONS, GINGRICH, GODSHALL, GOODMAN, GROVE, HACKETT, HAHN, HARHART, HARKINS, HARPER, HELM, HENNESSEY, HESS, HICKERNELL, HORNAMAN, HUTCHINSON, JOSEPHS, F. KELLER, M. K. KELLER, W. KELLER, KILLION, KNOWLES, KOTIK, LAWRENCE, MAJOR, MALONEY, MANN, MARKOSEK, MARSHALL, MARSICO, MASSER, MATZIE, McGEEHAN, METCALFE, MICOZZIE, MILLARD, MURPHY, MURT, MUSTIO, NEUMAN, D. O'BRIEN, M. O'BRIEN, O'NEILL, PASHINSKI, PAYTON, PEIFER, PETRI, PYLE, QUIGLEY, QUINN, RAPP, RAVENSTAHL, REED, REICHLEY, ROAE, ROCK, SABATINA, SACCONI, SAINATO, SANTONI, SAYLOR, SCAVELLO, SCHRODER, SIMMONS, STEPHENS, STEVENSON, SWANGER, TALLMAN, THOMAS, TOBASH, TOEPEL, TOOIL, TURZAI, VEREB, WATERS, WATSON AND WILLIAMS, APRIL 8, 2011

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, APRIL 8, 2011

AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated  
2 Statutes, providing for disabled veteran-owned small  
3 businesses.

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

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

8 CHAPTER 22

9 DISABLED VETERAN-OWNED SMALL BUSINESSES

1 Sec.

2 2201. Definitions.

3 2202. Policy.

4 2203. Disabled veteran-owned small business participation  
5 goals.

6 2204. Duties of department.

7 2205. Bonding and progress payments.

8 2206. Reporting requirements.

9 2207. Compliance with Federal requirements.

10 § 2201. Definitions.

11 The following words and phrases when used in this chapter  
12 shall have the meanings given to them in this section unless the  
13 context clearly indicates otherwise:

14 "Disabled veteran." An individual who:

15 (1) Served in the armed forces of the United States,  
16 including the reserve components and the National Guard.

17 (2) Was discharged from service under honorable  
18 conditions.

19 (3) Has at least a 10% service-connected disability.

20 "Disabled veteran-owned small business." A business:

21 (1) That has 100 or fewer full-time employees.

22 (2) Not less than 51% of which is owned by one or more  
23 disabled veterans or, in the case of any publicly owned  
24 business, not less than 51% of the stock of which is owned by  
25 one or more disabled veterans.

26 (3) The management and daily business operations of  
27 which are controlled by one or more disabled veterans.

28 (4) That satisfies such other criteria as established by  
29 regulation of the department.

30 § 2202. Policy.

1     The department shall establish policy in accordance with this  
2 chapter for executive agencies and those independent agencies  
3 for which the department acts as purchasing agency to implement  
4 this chapter. State-affiliated entities shall implement the  
5 policy for their procurement programs.

6     § 2203. Disabled veteran-owned small business participation  
7             goals.

8     Each purchasing agency shall establish an annual goal of not  
9 less than 3% participation by disabled veteran-owned small  
10 businesses in all contracts entered into by the purchasing  
11 agency. The participation goal shall apply to the overall dollar  
12 amount expended on the contracts by the purchasing agency.

13    § 2204. Duties of department.

14    The department shall have the following duties:

15            (1) Where feasible, provide appropriate staff who shall  
16 be responsible to the department and who shall serve within  
17 designated Commonwealth agencies to assist disabled veteran-  
18 owned small businesses in this Commonwealth in learning how  
19 to do business with Commonwealth agencies.

20            (2) Give special publicity to procurement procedures and  
21 issue special publications designed to assist veteran-owned  
22 small businesses in learning how to do business with  
23 Commonwealth agencies.

24            (3) Compile, maintain and make available source lists of  
25 disabled veteran-owned small businesses for the purpose of  
26 encouraging procurement from disabled veteran-owned small  
27 businesses.

28            (4) Include disabled veteran-owned small businesses on  
29 solicitation mailing lists.

30            (5) Assure that disabled veteran-owned small businesses

1 are solicited on each procurement for which the businesses  
2 may be suited.

3 (6) Develop special training programs to assist disabled  
4 veteran-owned small business in learning how to do business  
5 with Commonwealth agencies.

6 (7) Assure that participation by disabled veteran-owned  
7 small businesses is appropriately factored into the  
8 evaluation of proposals for supplies, services or  
9 construction when a purchasing agency uses the competitive  
10 sealed proposals method under section 513 (relating to  
11 competitive sealed proposals).

12 § 2205. Bonding and progress payments.

13 (a) General rule.--Notwithstanding any other provision of  
14 this part:

15 (1) Except as provided in paragraph (2), a purchasing  
16 agency may reduce the level or change the types of bonding  
17 normally required or accept alternative forms of security to  
18 the extent reasonably necessary to encourage procurement from  
19 disabled veteran-owned small businesses.

20 (2) For contracts under \$100,000, disabled veteran-owned  
21 small businesses shall be exempt from the bonding  
22 requirements of this part.

23 (b) Progress payments.--A purchasing agency may make special  
24 provisions for progress payments as it deems reasonably  
25 necessary to encourage procurement from disabled veteran-owned  
26 small businesses.

27 § 2206. Reporting requirements.

28 (a) Purchasing agencies.--

29 (1) On July 1 of each year, a purchasing agency shall  
30 report to the Governor, the General Assembly, the department

1 and the Department of Military and Veterans Affairs on the  
2 participation by disabled veteran-owned small businesses in  
3 contracts of the purchasing agency for the previous fiscal  
4 year.

5 (2) If a purchasing agency has not met the established  
6 participation goal for the previous fiscal year, the  
7 purchasing agency shall identify the reasons the goal was not  
8 met and the steps the purchasing agency will take to achieve  
9 the goal in the future.

10 (b) Department.--On September 1 of each year, the department  
11 shall present to the Governor, the General Assembly and the  
12 Department of Military and Veterans Affairs a Statewide  
13 statistical summary detailing each purchasing agency's goal  
14 achievement and a Statewide total of goal achievement.

15 § 2207. Compliance with Federal requirements.

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

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