

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1200 Session of
2011

INTRODUCED BY FOLMER, VOGEL, RAFFERTY, ERICKSON, ORIE, SMUCKER,
FARNESE, PILEGGI, ALLOWAY, BROWNE, WAUGH, FERLO, YUDICHAK,
BOSCOLA, MENSCH AND PICCOLA, JULY 21, 2011

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,
OCTOBER 15, 2012

AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated
2 Statutes, PROVIDING FOR PUBLIC ACCESS TO PROCUREMENT RECORDS;
3 ~~AND~~ further providing for COMPETITIVE SEALED PROPOSALS, FOR
4 sole source procurement and for emergency procurement;
5 PROVIDING FOR SMALL BUSINESS RESERVE PROGRAM, FOR OVERSIGHT
6 AND RESPONSIBILITY AND FOR CONTRACTING WITH VETERAN-OWNED
7 SMALL BUSINESSES; AND IMPOSING DUTIES ON THE DEPARTMENT OF
8 GENERAL SERVICES AND OTHER COMMONWEALTH PURCHASING AGENCIES.



9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. Sections 515 and 516 of Title 62 of the~~
12 ~~Pennsylvania Consolidated Statutes are amended to read:~~



13 SECTION 1. TITLE 62 OF THE PENNSYLVANIA CONSOLIDATED
14 STATUTES IS AMENDED BY ADDING A SECTION TO READ:



15 § 106.1. PUBLIC ACCESS TO PROCUREMENT RECORDS.

16 (A) GENERAL RULE.--RECORDS CONCERNING A PROCUREMENT SHALL BE
17 MADE PUBLIC, CONSISTENT WITH THE ACT OF FEBRUARY 14, 2008
18 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

19 ~~(B) ACCESS FOR NONCOMPETITIVE CONTRACTS. IF A PROCUREMENT~~



1 ~~IS TO BE MADE UNDER SECTION 513 (RELATING TO COMPETITIVE SEALED~~
2 ~~PROPOSALS), 515 (RELATING TO SOLE SOURCE PROCUREMENT), 517~~
3 ~~(RELATING TO MULTIPLE AWARDS), 518 (RELATING TO COMPETITIVE~~
4 ~~SELECTION PROCEDURES FOR CERTAIN SERVICES), 519 (RELATING TO~~
5 ~~SELECTION PROCEDURE FOR INSURANCE AND NOTARY BONDS) OR 905~~
6 ~~(RELATING TO PROCUREMENT OF DESIGN PROFESSIONAL SERVICES), SEVEN~~
7 ~~CALENDAR DAYS PRIOR TO EXECUTION BY THE CONTRACTING OFFICIAL THE~~
8 ~~PURCHASING AGENCY SHALL POST THE PROPOSED CONTRACT AND ANY~~
9 ~~WRITTEN DETERMINATION MADE BY THE CONTRACTING OFFICER WHICH IS~~
10 ~~RELATED TO THE CONTRACT ON ITS PUBLICLY ACCESSIBLE INTERNET~~
11 ~~WEBSITE.~~

12 (B) PUBLIC POSTING AND AVAILABILITY OF PROCUREMENT ←
13 INFORMATION.--THE PURCHASING AGENCY SHALL POST THE FOLLOWING
14 PROCUREMENT DOCUMENTS ON THE DEPARTMENT'S, OR IN THE CASE OF AN
15 INDEPENDENT AGENCY, ITS OWN PUBLICLY ACCESSIBLE INTERNET WEBSITE
16 OR OTHERWISE MADE AVAILABLE IN THE MANNER INDICATED BELOW:

17 (1) PUBLIC NOTICE OF AN INVITATION FOR BIDS OR REQUEST
18 FOR PROPOSALS MAY BE GIVEN IN ACCORDANCE WITH SECTION 512(C)
19 (1) (RELATING TO COMPETITIVE SEALED BIDDING) OR 513(B)
20 (RELATING TO COMPETITIVE SEALED PROPOSALS) BY POSTING THE
21 INVITATION FOR BIDS OR REQUEST FOR PROPOSALS, INCLUDING IF
22 APPLICABLE, THE WRITTEN DETERMINATION REQUIRED BY SECTION
23 513(A), ON THE DATE ISSUED AND UNTIL THE CLOSING DATE FOR
24 RECEIPT OF BIDS OR PROPOSALS.

25 (2) BID TABULATIONS RECORDING THE NAME OF EACH BIDDER
26 AND BID AMOUNT IN ACCORDANCE WITH SECTION 512(D) SHALL BE
27 POSTED AS SOON AS PRACTICABLE AFTER BID OPENING, UNLESS THE
28 PURCHASING AGENCY ELECTS TO CANCEL THE INVITATION FOR BIDS.

29 (3) NOTICES OF AWARD PURSUANT TO AN INVITATION FOR BIDS
30 SHALL BE POSTED AS SOON AS PRACTICABLE AFTER THE PURCHASING

1 AGENCY ELECTS TO MAKE AN AWARD IN ACCORDANCE WITH SECTION
2 512(G).

3 (4) THE WRITTEN DETERMINATION REQUIRED BY SECTION 513(G)
4 SHALL BE POSTED UPON RECEIPT OF THE FINAL NEGOTIATED CONTRACT
5 SIGNED BY THE SELECTED OFFEROR. SUBJECT TO PROPER REDACTION
6 UNDER THE RIGHT-TO-KNOW LAW, RESPONSIVE PROPOSALS RECEIVED BY
7 THE PURCHASING AGENCY AND UNTIL FULLY EXECUTED, THE FINAL
8 NEGOTIATED CONTRACT, ARE NOT REQUIRED TO BE POSTED BUT SHALL
9 BE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

10 (5) REQUESTS TO AWARD A CONTRACT PURSUANT TO SECTION
11 515(A) (1), (2), (4) AND (10) (RELATING TO SOLE SOURCE
12 PROCUREMENT) SHALL BE POSTED FOR SEVEN CALENDAR DAYS FOR
13 PUBLIC COMMENT PRIOR TO APPROVAL OF THE REQUEST BY THE
14 DEPARTMENT OR INDEPENDENT PURCHASING AGENCY. UPON APPROVAL OF
15 A REQUEST BY THE DEPARTMENT OR INDEPENDENT PURCHASING AGENCY,
16 THE SIGNED AND WRITTEN DETERMINATION REQUIRED UNDER SECTION
17 515(B) SHALL BE POSTED.

18 (6) THE WRITTEN DETERMINATIONS REQUIRED BY SECTION 516
19 (RELATING TO EMERGENCY PROCUREMENT) SHALL BE POSTED IN
20 ADVANCE, IF FEASIBLE, BUT NO LATER THAN SEVEN CALENDAR DAYS
21 AFTER AUTHORIZATION BY THE DEPARTMENT OR INDEPENDENT
22 PURCHASING AGENCY.

23 (7) ALL CONTRACTS RESULTING FROM A PROCUREMENT UNDER
24 THIS PART SHALL BE POSTED AS SOON AS PRACTICABLE UPON THEIR
25 FULL EXECUTION BY THE COMMONWEALTH.

26 (8) REQUESTS PURSUANT TO SECTION 515 OR 516 TO EXTEND A
27 CONTRACT FOR WHICH NO FURTHER OPTIONS, RENEWALS OR EXTENSIONS
28 ARE AVAILABLE IN THE CONTRACT SHALL BE POSTED FOR SEVEN
29 CALENDAR DAYS FOR PUBLIC COMMENT PRIOR TO APPROVAL OF THE
30 REQUEST BY THE DEPARTMENT OR INDEPENDENT PURCHASING AGENCY.

1 UPON APPROVAL OF A REQUEST BY THE DEPARTMENT OR AN
2 INDEPENDENT PURCHASING AGENCY, THE SIGNED AND WRITTEN
3 DETERMINATION REQUIRED UNDER SECTION 515(B) OR 516 SHALL BE
4 POSTED.

5 (C) ACCESS AND RETENTION.--PROCUREMENT DOCUMENTS SPECIFIED
6 UNDER SUBSECTION (B) MUST BE ACCESSIBLE ON THE INTERNET WEBSITE
7 FOR A MINIMUM OF 30 DAYS FROM POSTING AND FURTHER RETAINED IN
8 ACCORDANCE WITH SECTION 563 (RELATING TO RETENTION OF
9 PROCUREMENT RECORDS) AND APPLICABLE AGENCY RECORD RETENTION
10 POLICIES.

11 SECTION 2. SECTIONS 513(E), 515 AND 516 OF TITLE 62 ARE
12 AMENDED TO READ:

13 § 513. COMPETITIVE SEALED PROPOSALS.

14 * * *

15 (E) EVALUATION.--THE RELATIVE IMPORTANCE OF THE EVALUATION
16 FACTORS SHALL BE FIXED PRIOR TO OPENING THE PROPOSALS. A
17 COMMONWEALTH AGENCY IS REQUIRED TO INVITE ITS COMPTROLLER TO
18 PARTICIPATE IN THE EVALUATION AS A NONVOTING MEMBER OF ANY
19 EVALUATION COMMITTEE. NO INDIVIDUAL WHO HAS BEEN EMPLOYED BY AN
20 OFFEROR WITHIN THE LAST TWO YEARS MAY PARTICIPATE IN THE
21 EVALUATION OF PROPOSALS.

22 * * *

23 § 515. Sole source procurement.

24 (a) General rule.--A contract may be awarded for a supply,
25 service or construction item without competition if the
26 contracting officer first determines in writing that one of the
27 following conditions exists:

28 (1) Only a single contractor is capable of providing the
29 supply, service or construction.

30 (2) A Federal or State statute or Federal regulation

1 exempts the supply, service or construction from the
2 competitive procedure.

3 (3) The total cost of the supply, service or
4 construction is less than the amount established by the
5 department for small, no-bid procurements under section 514
6 (relating to small procurements).

7 (4) It is clearly not feasible to award the contract for
8 supplies or services on a competitive basis.

9 (5) The services are to be provided by attorneys or
10 litigation consultants selected by the Office of General
11 Counsel, the Office of Attorney General, the Department of
12 the Auditor General or the Treasury Department.

13 (6) The services are to be provided by expert witnesses.

14 (7) The services involve the repair, modification or
15 calibration of equipment and they are to be performed by the
16 manufacturer of the equipment or by the manufacturer's
17 authorized dealer, provided the contracting officer
18 determines that bidding is not appropriate under the
19 circumstances.

20 (8) The contract is for investment advisors or managers
21 selected by the Public School Employees' Retirement System,
22 the State Employees' Retirement System or a State-affiliated
23 entity.

24 (9) The contract is for financial or investment experts
25 to be used and selected by the Treasury Department or
26 financial or investment experts selected by the Secretary of
27 the Budget.

28 (10) The contract for supplies or services is in the
29 best interest of the Commonwealth.

30 ~~(b) Posting of determination on Internet. For procurements~~ ←

1 ~~made under subsection (a) (1), (2), (4) and (10), a~~
2 ~~determination to support the finding that the condition exists~~
3 ~~shall be posted on the purchasing agency's publicly accessible~~
4 ~~Internet website for seven calendar days for public comment~~
5 ~~prior to Commonwealth execution of the contract.~~

6 ~~(e) (B) Written determination.--~~The written determination ←
7 authorizing sole source procurement shall be included in the
8 contract file. ~~For procurements over \$250,000~~ \$100,000 made ←
9 ~~under subsection (a) (10), the determination shall be signed by~~
10 ~~the head of the purchasing agency.~~

11 ~~(d) (C) Approval required by board of commissioners of~~ ←
12 ~~public grounds and buildings.--~~ With the exception of small
13 procurements under section 514 and emergency procurements under
14 section 516 (relating to emergency procurement), if the sole
15 source procurement is for a supply, except for computer software
16 updates under \$50,000, for which the department acts as
17 purchasing agency, it must be approved by the Board of
18 Commissioners of Public Grounds and Buildings prior to the award
19 of a contract.

20 § 516. Emergency procurement.

21 The head of a purchasing agency may make or authorize others
22 to make an emergency procurement when there exists a threat to
23 public health, welfare or safety or circumstances outside the
24 control of the agency create an urgency of need which does not
25 permit the delay involved in using more formal competitive
26 methods. Whenever practical, in the case of a procurement of a
27 supply, at least two [bids] quotes shall be solicited. A written
28 determination of the basis for the emergency and for the
29 selection of the particular contractor shall be included in the
30 [contract file.] ~~procurement file and shall be posted on the~~ ←

1 ~~purchasing agency's publicly accessible Internet website within~~
2 ~~seven calendar days after the emergency procurement is~~
3 ~~authorized and shall remain on the website for a minimum of 30~~
4 ~~days.~~ No written contract shall be required. The supplier of the
5 supply, service or construction may be paid based on the
6 emergency approval and approved invoice.

7 SECTION 3. TITLE 62 IS AMENDED BY ADDING SECTIONS TO READ: ←
8 § 2109. SMALL BUSINESS RESERVE PROGRAM.

9 (A) ESTABLISHMENT.--THE DEPARTMENT SHALL ESTABLISH A SMALL
10 BUSINESS RESERVE PROGRAM FOR THE PURPOSE OF INCREASING ECONOMIC
11 OPPORTUNITIES FOR SMALL AND DISADVANTAGED BUSINESSES, INCLUDING
12 VETERAN-OWNED SMALL BUSINESSES, AND AFFORDING SUCH SMALL AND
13 DISADVANTAGED BUSINESSES THE OPPORTUNITY TO BID ON STATE
14 GOVERNMENT CONTRACTS WITHOUT COMPETING WITH LARGER BUSINESSES.
15 ALL PROCUREMENT BY THE DEPARTMENT SHALL BE ELIGIBLE FOR
16 DESIGNATION FOR THE SMALL BUSINESS RESERVE PROGRAM, AND SHALL BE
17 PUBLISHED IN THE SAME MANNER AS REQUIRED FOR A REQUEST FOR
18 PROPOSAL OR AN INVITATION FOR BID.

19 (B) RESERVE ACCOUNT.--NOTWITHSTANDING ANY OTHER PROVISION OF
20 THIS TITLE TO THE CONTRARY, THE DEPARTMENT SHALL STRUCTURE ITS
21 PROCUREMENT PROCEDURES TO RESERVE UP TO 5% OF THE TOTAL DOLLAR
22 VALUE OF ITS PROCUREMENT CONTRACTS, INCLUDING PUBLIC WORKS,
23 CONSTRUCTION AND PROFESSIONAL SERVICES AND DESIGNED PROFESSIONAL
24 SERVICES CONTRACTS, TO BE MADE DIRECTLY TO QUALIFIED SMALL AND
25 DISADVANTAGED BUSINESSES, INCLUDING VETERAN-OWNED SMALL
26 BUSINESSES. HOWEVER, THE TOTAL DOLLAR VALUE OF PROCUREMENTS BY
27 THE DEPARTMENT SHALL NOT INCLUDE THE VALUE OF ANY CONTRACT TO
28 WHICH THIS SUBSECTION WOULD NOT APPLY BECAUSE OF A CONFLICT WITH
29 FEDERAL LAW.

30 (C) ELIGIBILITY.--TO PARTICIPATE IN THE SMALL BUSINESS

1 RESERVE PROGRAM, A SMALL AND DISADVANTAGED BUSINESS, INCLUDING A
2 VETERAN-OWNED SMALL BUSINESS, THAT HAS BEEN CERTIFIED BY THE
3 DEPARTMENT OR SELF-CERTIFIED, AS THE CASE MAY BE, TO PARTICIPATE
4 IN COMMONWEALTH PROCUREMENT ACTIVITIES MUST MEET THE FOLLOWING
5 ELIGIBILITY REQUIREMENTS:

6 (1) THE BUSINESS MUST BE AN INDEPENDENTLY OWNED, FOR-
7 PROFIT, UNITED STATES BUSINESS.

8 (2) THE BUSINESS MUST NOT BE DOMINANT IN ITS FIELD OF
9 OPERATION.

10 (3) THE BUSINESS MAY NOT EMPLOY MORE THAN 100 EMPLOYEES.

11 (4) IF THE BUSINESS HAS OPERATED FOR THREE OR MORE
12 YEARS, IT, BY TYPE OR CLASSIFICATION, MAY NOT EXCEED THE
13 FOLLOWING THREE-YEAR AVERAGE GROSS SALES:

14 (I) TWENTY MILLION DOLLARS FOR CONTRACTS TO PROVIDE
15 GOODS.

16 (II) TWENTY MILLION DOLLARS FOR PROCUREMENT
17 SERVICES.

18 (III) TWENTY MILLION DOLLARS FOR CONSTRUCTION OR
19 PUBLIC WORKS CONTRACTS.

20 (IV) SEVEN MILLION DOLLARS FOR BUILDING DESIGN
21 CONTRACTS AND OTHER DESIGNED PROFESSIONAL SERVICES OR
22 PROFESSIONAL SERVICES CONTRACTS.

23 (V) TWENTY-FIVE MILLION DOLLARS FOR INFORMATION
24 TECHNOLOGY CONTRACTS AND OTHER SUCH CONTRACTS FOR THE
25 PROCUREMENT OF TECHNOLOGY GOODS OR SERVICES.

26 (VI) IF THE BUSINESS HAS BEEN IN OPERATION FOR LESS
27 THAN THREE YEARS, THE AVERAGE GROSS SALES SHALL BE
28 COMPUTED FOR THE PERIOD OF TIME DURING WHICH THE BUSINESS
29 HAS BEEN FULLY OPERATIONAL.

30 (VII) IF THE BUSINESS IS A NEWLY CREATED SMALL AND

1 DISADVANTAGED BUSINESS OR A VETERAN-OWNED SMALL BUSINESS,
2 AVERAGE GROSS SALES SHALL BE BASED ON PROJECTED GROSS
3 SALES.

4 (D) LIMIT.--NOTWITHSTANDING THE PROVISIONS OF SUBSECTION
5 (C), FOR A SMALL AND DISADVANTAGED BUSINESS OR A VETERAN-OWNED
6 SMALL BUSINESS TO OPERATE IN MORE THAN ONE GENERAL BUSINESS
7 CLASSIFICATION, ITS COMBINED OPERATIONS MUST NOT EXCEED THE
8 LOWEST THREE-YEAR AVERAGE GROSS SALES FOR THE BUSINESS TYPES
9 SELECTED.

10 (E) AWARDS.--THE DEPARTMENT SHALL AWARD A PROCUREMENT
11 CONTRACT DESIGNATED FOR THE SMALL BUSINESS RESERVE PROGRAM TO
12 THE SMALL AND DISADVANTAGED BUSINESS OR VETERAN-OWNED SMALL
13 BUSINESS THAT SUBMITS A BID OR PROPOSAL THAT MEETS ONE OF THE
14 FOLLOWING REQUIREMENTS:

15 (1) IS THE LOWEST BID PRICE.

16 (2) IS THE LOWEST EVALUATED BID PRICE, IF THE INVITATION
17 FOR BID OR REQUEST FOR PROPOSAL SO PROVIDES.

18 (3) IS IN THE BEST INTEREST OF THE COMMONWEALTH.

19 (F) COMMONWEALTH AGENCIES.--

20 (1) A COMMONWEALTH AGENCY MAY COLLABORATE WITH THE
21 DEPARTMENT TO STRUCTURE ITS PROCUREMENT PROCEDURES TO PROVIDE
22 FOR A SMALL BUSINESS RESERVE PROGRAM WHICH SHALL BE SUBJECT
23 TO THE REQUIREMENTS OF THIS ACT.

24 (2) UPON REQUEST, THE DEPARTMENT SHALL ASSIST THE
25 PURCHASING UNIT OF A COMMONWEALTH AGENCY WITH THE DEVELOPMENT
26 AND IMPLEMENTATION OF A SMALL BUSINESS RESERVE PROGRAM.

27 (G) CONSTRUCTION AND APPLICATION.--

28 (1) THIS SECTION SHALL NOT BE CONSTRUED TO PRECLUDE ANY
29 SMALL AND DISADVANTAGED BUSINESS OR VETERAN-OWNED SMALL
30 BUSINESS FROM COMPETING FOR ANY OTHER CONTRACT THAT IS NOT

1 SPECIFICALLY DESIGNATED FOR THE SMALL BUSINESS RESERVE
2 PROGRAM.

3 (2) THIS SECTION SHALL APPLY TO ANY ELIGIBLE "SMALL
4 BUSINESS" AND "DISADVANTAGED BUSINESS" AS THOSE TERMS ARE
5 DEFINED UNDER SECTION 2102 (RELATING TO DEFINITIONS) AND
6 SHALL INCLUDE ANY ELIGIBLE VETERAN-OWNED SMALL BUSINESS AND
7 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS UNDER THIS
8 CHAPTER. ANY REFERENCE TO VETERAN-OWNED SMALL BUSINESS IN
9 THIS SECTION SHALL BE INTERPRETED TO INCLUDE ANY SERVICE-
10 DISABLED VETERAN-OWNED SMALL BUSINESS.

11 (H) REGULATIONS.--THE DEPARTMENT SHALL ADOPT AND PROMULGATE
12 REGULATIONS TO CARRY OUT THE REQUIREMENTS OF THIS SECTION. THE
13 REGULATIONS SHALL:

14 (1) ESTABLISH A COMPREHENSIVE BIDDER'S LIST OF ELIGIBLE
15 SMALL AND DISADVANTAGED BUSINESSES AND VETERAN-OWNED SMALL
16 BUSINESSES.

17 (2) PROVIDE PROCEDURES FOR UPDATING AND MAINTAINING THE
18 LIST IN PARAGRAPH (1).

19 (3) PROVIDE PROCEDURES FOR SMALL AND DISADVANTAGED
20 BUSINESSES AND VETERAN-OWNED BUSINESSES TO REGISTER WITH THE
21 DEPARTMENT AND SELF-CERTIFY AS A SMALL BUSINESS.

22 (4) ESTABLISH CRITERIA TO ENSURE THAT PENNSYLVANIA-BASED
23 SMALL AND DISADVANTAGED BUSINESSES AND VETERAN-OWNED SMALL
24 BUSINESSES ARE GIVEN PRIORITY FOR PROGRAM PARTICIPATION,
25 WHENEVER FEASIBLE.

26 (5) INCLUDE ANY OTHER INFORMATION THE DEPARTMENT
27 DETERMINES NECESSARY AND APPROPRIATE TO CARRY OUT THE
28 REQUIREMENTS OF THIS SECTION.

29 (I) REPORTING REQUIREMENTS.--

30 (1) ON OR BEFORE DECEMBER 31, 2014, AND ON OR BEFORE

1 EACH DECEMBER 31 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A
2 REPORT TO THE CHIEF CLERK OF THE SENATE AND THE CHIEF CLERK
3 OF THE HOUSE OF REPRESENTATIVES ON THE OPERATION AND
4 EFFECTIVENESS OF THE SMALL BUSINESS RESERVE PROGRAM. THE
5 REPORT SHALL INCLUDE THE FOLLOWING:

6 (I) THE TOTAL NUMBER AND DOLLAR VALUE OF PAYMENTS
7 THE DEPARTMENT AND OTHER COMMONWEALTH AGENCIES MADE TO
8 SMALL AND DISADVANTAGED BUSINESSES AND VETERAN-OWNED
9 SMALL BUSINESSES PURSUANT TO DESIGNATED SMALL BUSINESS
10 RESERVE CONTRACTS.

11 (II) THE TOTAL NUMBER AND DOLLAR VALUE OF PAYMENTS
12 THE DEPARTMENT MADE TO SMALL AND DISADVANTAGED BUSINESSES
13 AND VETERAN-OWNED SMALL BUSINESSES THAT WERE NOT
14 DESIGNATED AS SMALL BUSINESS RESERVE CONTRACTS.

15 (III) THE TOTAL DOLLAR VALUE OF PAYMENTS MADE BY THE
16 DEPARTMENT UNDER PROCUREMENT CONTRACTS.

17 (IV) INFORMATION ON ANY COMMONWEALTH AGENCY THAT
18 IMPLEMENTED A SMALL BUSINESS RESERVE PROGRAM, INCLUDING
19 INFORMATION REQUIRED UNDER SUBPARAGRAPHS (I), (II) AND
20 (III).

21 (V) ANY OTHER INFORMATION OR RECOMMENDATION THE
22 DEPARTMENT DETERMINES NECESSARY.

23 (2) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO
24 PREVENT THE DEPARTMENT FROM CONSOLIDATING THE REPORTS
25 REQUIRED UNDER SECTION 2107 (RELATING TO REPORT TO GENERAL
26 ASSEMBLY) WITH THE REPORT REQUIRED UNDER THIS SECTION OR TO
27 PREVENT THE DEPARTMENT FROM TRANSMITTING SUCH REPORTS BY
28 ELECTRONIC MAIL.

29 (J) DEFINITIONS.--FOR THE PURPOSES OF THIS SECTION, THE TERM
30 "COMMONWEALTH AGENCY," SHALL HAVE THE MEANING GIVEN TO IT IN

1 SECTION 103 (RELATING TO DEFINITIONS) AND SHALL INCLUDE ANY
2 OTHER AGENCY FOR WHICH THE DEPARTMENT ACTS AS THE PURCHASING
3 AGENCY.

4 § 2110. OVERSIGHT AND RESPONSIBILITY.

5 (A) IDENTIFICATION OF BEST PRACTICES.--

6 (1) THE DEPARTMENT SHALL IDENTIFY AND ADOPT BEST
7 PRACTICES FOR USE BY COMMONWEALTH AGENCIES TO DETERMINE THE
8 MOST EFFECTIVE MEANS FOR PROMOTING, INCREASING AND SUSTAINING
9 PROCUREMENT OPPORTUNITIES FOR DISADVANTAGED BUSINESSES.

10 (2) THE DEPARTMENT AND EACH COMMONWEALTH AGENCY AWARDDING
11 CONTRACTS IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF
12 THIS TITLE, INCLUDING CONSTRUCTION, PUBLIC WORKS, DESIGNED
13 PROFESSIONAL SERVICES AND PROFESSIONAL SERVICES CONTRACTS,
14 SHALL ADOPT THE BEST PRACTICES IDENTIFIED BY THE DEPARTMENT
15 IN ACCORDANCE WITH PARAGRAPH (1) IN ORDER TO INCREASE
16 OVERSIGHT, TRANSPARENCY AND ACCOUNTABILITY IN CONTRACTING AND
17 SUBCONTRACTING AND PROMOTE, INCREASE AND SUSTAIN PROCUREMENT
18 OPPORTUNITIES FOR DISADVANTAGED BUSINESSES. THE BEST
19 PRACTICES SHALL INCLUDE, BUT NOT BE LIMITED TO, THE
20 FOLLOWING:

21 (I) UNIFORM TEMPLATES, INCLUDING TEMPLATES FOR
22 PROCUREMENT PLANNING, SUBMITTING PROPOSALS AND BIDS,
23 CONTRACTING AND CONTRACT MANAGEMENT, INCLUDING STANDARD
24 FORMS, REPORTS AND OTHER KNOWLEDGE-BASED TOOLS.

25 (II) (A) VERIFIABLE GOALS FOR PARTICIPATION BY
26 DISADVANTAGED BUSINESSES OF NOT LESS THAN 5% OF THE
27 TOTAL DOLLAR VALUE OF STATE CONTRACTS ENTERED INTO BY
28 EACH COMMONWEALTH AGENCY DURING THE CALENDAR YEAR,
29 INCLUDING CONSTRUCTION, PUBLIC WORKS, DESIGNED
30 PROFESSIONAL SERVICES, PROFESSIONAL SERVICES

1 CONTRACTS AND SOLE SOURCE CONTRACTS. IN THE CASE OF
2 CONSTRUCTION CONTRACTS, THE PARTICIPATION GOAL SHALL
3 APPLY TO A LOCAL AGENCY OR OTHER PUBLIC OR PRIVATE
4 ENTITY THAT RECEIVES A COMMONWEALTH APPROPRIATION OR
5 GRANT FUNDS FOR THE PERFORMANCE OF A CONSTRUCTION OR
6 RECONSTRUCTION PROJECT, INCLUDING A CONSTRUCTION OR
7 RECONSTRUCTION PROJECT PERFORMED BY A PRIVATE ENTITY
8 ON A FACILITY TO BE LEASED OR PURCHASED BY THE
9 COMMONWEALTH. EXISTING CONTRACTS WITH AN OPTIONAL
10 RENEWAL CLAUSE THAT DID NOT INCLUDE THE DISADVANTAGED
11 BUSINESS PARTICIPATION GOAL ESTABLISHED UNDER THIS
12 SUBPARAGRAPH SHALL BE SUBJECT TO THE PARTICIPATION
13 GOAL AND OTHER DISADVANTAGED BUSINESS REVIEW AND
14 INCLUSION REQUIREMENTS PRIOR TO RENEWAL OF THE
15 CONTRACT BY THE DEPARTMENT OR A COMMONWEALTH AGENCY.

16 (B) THE DEPARTMENT OR A COMMONWEALTH AGENCY MAY
17 ATTAIN PARTICIPATION GOALS BY, WHERE APPROPRIATE,
18 DIRECTLY DESIGNATING PRIME CONTRACTS FOR
19 DISADVANTAGED BUSINESSES OR BY REQUIRING THAT A
20 PORTION OF A PRIME CONTRACT, WHICH IS NOT DIRECTLY
21 DESIGNATED FOR DISADVANTAGED BUSINESSES, BE
22 SUBCONTRACTED TO DISADVANTAGED BUSINESSES.

23 (C) THE DEPARTMENT AND EACH COMMONWEALTH AGENCY
24 SHALL MAKE A GOOD FAITH EFFORT TO ATTAIN THE GOALS
25 ESTABLISHED IN THIS PARAGRAPH.

26 (B) DUTIES OF DEPARTMENT.--THE DEPARTMENT SHALL:

27 (1) ENSURE THAT DISADVANTAGED BUSINESS PARTICIPATION IS
28 A COMPONENT OF ITS AND EACH COMMONWEALTH AGENCY'S STRATEGIC
29 PROCUREMENT PRIORITIES THROUGH THE IDENTIFICATION OF
30 MEASURABLE GOALS AND OBJECTIVES.

1 (2) DEVELOP A BEST PRACTICES MANUAL FOR USE BY
2 COMMONWEALTH AGENCIES. THE MANUAL SHALL PROVIDE PROCEDURES
3 FOR THE UNIFORM IMPLEMENTATION OF PROCUREMENT POLICIES, BEST
4 PRACTICES AND PARTICIPATION GOALS FOR DISADVANTAGED
5 BUSINESSES.

6 (3) ESTABLISH AND REQUIRE A COMPREHENSIVE QUARTERLY AND
7 ANNUAL REPORTING PROCESS FOR COMMONWEALTH AGENCIES. SUCH
8 REPORTS SHALL INCLUDE DATA ON CONTRACT AWARD AMOUNTS AND
9 ACTUAL SPENDING FOR CONTRACTORS, SUBCONTRACTORS, VENDORS,
10 SUPPLIERS AND PROFESSIONAL SERVICES CONTRACTORS, INCLUDING
11 CONSULTANT SERVICES.

12 (4) DESIGNATE A SINGLE POINT OF CONTACT TO IMPLEMENT,
13 MONITOR AND REPORT WORK FORCE UTILIZATION AND CONTRACTOR
14 PARTICIPATION IN DISADVANTAGED BUSINESS PROGRAMS.

15 (5) CREATE A COORDINATED CROSS-AGENCY, INTEGRATED
16 DISADVANTAGED BUSINESS SUPPORT SYSTEM. THE SUPPORT SYSTEM
17 SHALL BE DESIGNED TO PROVIDE TRAINING IN THE AREAS OF
18 INFORMATION MANAGEMENT, BUSINESS MANAGEMENT, TECHNICAL
19 ASSISTANCE AND OTHER SUCH DEVELOPMENTAL ASSISTANCE TO
20 DISADVANTAGED BUSINESSES.

21 (6) IDENTIFY AND ADOPT UNIFORM MONITORING, ENFORCEMENT,
22 TRACKING AND REPORTING PROCEDURES, GUIDELINES OR POLICY
23 STATEMENTS.

24 (7) EXPAND ITS ABILITY TO QUANTIFY AND MEASURE THE
25 EFFECTIVENESS OF COMMONWEALTH PROCUREMENT PROGRAMS.

26 (8) USE THE DEPARTMENT'S E-MARKETPLACE SYSTEM TO PROVIDE
27 PUBLIC NOTICE OF CONTRACTING, SUBCONTRACTING AND GRANT
28 OPPORTUNITIES.

29 (9) CONTINUE TO CONNECT DISADVANTAGED BUSINESSES TO
30 OTHER ENTITIES, SUCH AS THE SMALL BUSINESS DEVELOPMENT

1 CENTERS, MINORITY BUSINESS ENTERPRISE CENTERS AND
2 PROFESSIONAL TECHNICAL ASSISTANCE CENTERS FOR DEVELOPMENTAL
3 ASSISTANCE.

4 (10) IDENTIFY AND ADOPT GUIDELINES THAT WILL ENSURE
5 ACCOUNTABILITY AND TRANSPARENCY IN THE PROCUREMENT PROCESS.
6 THE GUIDELINES SHALL INCLUDE, BUT NOT BE LIMITED TO,
7 DOCUMENTATION REQUIREMENTS TO BE USED THROUGHOUT THE
8 PROCUREMENT PROCESS, REPORTING AND DISCLOSURE REQUIREMENTS,
9 TREATMENT OF CONFIDENTIAL INFORMATION AND PROCEDURES FOR
10 REPORTING AND RESOLVING COMPLAINTS.

11 (11) IDENTIFY AND ADOPT BEST PRACTICES TO ENSURE THAT
12 THE PROCUREMENT PROCESS IS PROPERLY STRUCTURED AND MANAGED TO
13 ENSURE PROBITY AND PROVIDE FAIRNESS AND EQUAL TREATMENT FOR
14 ALL CONTRACTORS, INCLUDING DISADVANTAGED BUSINESSES.

15 (12) ADOPT, IMPLEMENT AND ADHERE TO ALL CONTRACT
16 COMPLIANCE REQUIREMENTS, POLICY STATEMENTS, GUIDELINES,
17 REGULATIONS AND APPLICABLE LAWS PERTAINING TO PROCUREMENT BY
18 DISADVANTAGED BUSINESSES.

19 (C) MONITORING, ENFORCEMENT AND SANCTIONS.--THE FOLLOWING
20 SHALL APPLY:

21 (1) THE DEPARTMENT SHALL ADMINISTER THIS SECTION AND
22 SHALL ADOPT AND IMPLEMENT BEST PRACTICE GUIDELINES TO MONITOR
23 AND ENFORCE THE PROVISIONS OF THIS SECTION AS THEY RELATE TO
24 THE COMMONWEALTH'S DISADVANTAGED BUSINESS PROGRAM.

25 (2) EACH COMMONWEALTH AGENCY SHALL PROVIDE MANDATORY
26 QUARTERLY AND ANNUAL REPORTS ON THE UTILIZATION OF
27 DISADVANTAGED BUSINESSES ON PROCUREMENT CONTRACTS AND
28 SUBCONTRACTS. AN EVALUATION OF A PRIME CONTRACTOR'S
29 PERFORMANCE ON CONTRACTS SHALL INCLUDE A REVIEW OF GOOD FAITH
30 EFFORTS IN THE OVERSIGHT OF DISADVANTAGED BUSINESS

1 PROCUREMENT, TIMELY PAYMENT, AS PROVIDED UNDER SUBCHAPTER D
2 OF CHAPTER 39 (RELATING TO PROMPT PAYMENT SCHEDULES), AND
3 CONTINUED COMMITMENT TO THE UTILIZATION OF DISADVANTAGED
4 SUBCONTRACTORS.

5 (3) SANCTIONS FOR FAILURE TO DEMONSTRATE GOOD FAITH
6 EFFORTS IN THE OVERSIGHT, TIMELY PAYMENT AND COMMITMENT TO
7 DISADVANTAGED BUSINESSES AND SUBCONTRACTORS SHALL INCLUDE
8 WITHHOLDING OF PAYMENTS TO THE PRIME CONTRACTOR AND
9 SUSPENSION OR DEBARMENT FROM PARTICIPATION IN COMMONWEALTH
10 PROCUREMENT FOR NO LESS THAN 12 MONTHS OR MORE THAN 36
11 MONTHS. THE DEPARTMENT AND ANY OTHER COMMONWEALTH AGENCY MAY
12 ALSO INSTITUTE ANY APPROPRIATE AND NECESSARY ADMINISTRATIVE,
13 LEGAL, JUDICIAL OR OTHER PROCEEDINGS AFTER INQUIRY, REVIEW OR
14 INVESTIGATION IF IT FINDS THAT ANY PERSON, CONTRACTOR OR
15 GRANTEE HAS FAILED TO COMPLY WITH OR HAS VIOLATED ANY
16 REQUIREMENT OR ACTION SET FORTH IN THIS TITLE OR REGULATIONS
17 PROMULGATED UNDER THIS TITLE.

18 (D) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
19 CONSTRUED TO AUTHORIZE THE DEPARTMENT OR A COMMONWEALTH AGENCY
20 TO DISCRIMINATE IN THE AWARDING OF ANY CONTRACT OR SUBCONTRACT
21 OR TO AUTHORIZE A CONTRACTOR OR ANY OTHER PERSON OR ENTITY TO
22 DISCRIMINATE IN THE SOLICITATION OR ACCEPTANCE OF BIDS OR OFFERS
23 FOR CONTRACTING OR SUBCONTRACTING IN ANY PROCUREMENT AUTHORIZED
24 UNDER THIS TITLE.

25 SECTION 4. TITLE 62 IS AMENDED BY ADDING A CHAPTER TO READ:

26 CHAPTER 22

27 VETERAN-OWNED SMALL BUSINESSES

28 SEC.

29 2201. DEFINITIONS.

30 2202. REGULATIONS.

1 2203. VETERAN-OWNED SMALL BUSINESS PARTICIPATION GOALS.

2 2204. DUTIES OF DEPARTMENT.

3 2205. BONDING AND PROGRESS PAYMENTS.

4 2206. (RESERVED).

5 2207. REPORTS.

6 2208. COMPLIANCE WITH FEDERAL REQUIREMENTS.

7 § 2201. DEFINITIONS.

8 SUBJECT TO SECTION 2202 (RELATING TO REGULATIONS), THE
9 FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER SHALL HAVE
10 THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT
11 CLEARLY INDICATES OTHERWISE:

12 "SERVICE DISABLED." A VETERAN WHO POSSESSES EITHER A
13 DISABILITY RATING LETTER ISSUED BY THE UNITED STATES DEPARTMENT
14 OF VETERANS AFFAIRS OR A DISABILITY DETERMINATION FROM THE
15 UNITED STATES DEPARTMENT OF DEFENSE.

16 "SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS." A SMALL
17 BUSINESS OWNED AND CONTROLLED BY A SERVICE-DISABLED VETERAN OR
18 VETERANS OR, IF APPROVED BY THE DEPARTMENT OF GENERAL SERVICES,
19 A SURVIVING SPOUSE OR PERMANENT CAREGIVER OF A SERVICE-DISABLED
20 VETERAN.

21 "SMALL BUSINESS." A BUSINESS THAT DOES NOT EXCEED THE
22 LIMITATION ON REVENUE OR NUMBER OF EMPLOYEES ESTABLISHED BY THE
23 DEPARTMENT OF GENERAL SERVICES FOR DESIGNATION AS A SMALL
24 BUSINESS.

25 "VETERAN." A PERSON WHO SERVED ON ACTIVE DUTY IN THE UNITED
26 STATES ARMED FORCES, INCLUDING ANY OF THE FOLLOWING:

27 (1) A RESERVIST OR MEMBER OF THE NATIONAL GUARD WHO WAS
28 DISCHARGED OR RELEASED FROM THE SERVICE UNDER HONORABLE
29 CONDITIONS.

30 (2) A RESERVIST OR MEMBER OF THE NATIONAL GUARD WHO

1 COMPLETED AN INITIAL TERM OF ENLISTMENT OR QUALIFYING PERIOD
2 OF SERVICE.

3 (3) A RESERVIST OR MEMBER OF THE NATIONAL GUARD WHO WAS
4 DISABLED IN THE LINE OF DUTY DURING TRAINING.

5 "VETERAN-OWNED SMALL BUSINESS." A SMALL BUSINESS OWNED AND
6 CONTROLLED BY A VETERAN OR VETERANS.

7 § 2202. REGULATIONS.

8 THE DEPARTMENT SHALL ESTABLISH POLICY IN ACCORDANCE WITH THIS
9 CHAPTER FOR EXECUTIVE AGENCIES AND INDEPENDENT AGENCIES AND MAY
10 PROMULGATE REGULATIONS ESTABLISHING DETAILED DEFINITIONS OF THE
11 WORDS AND PHRASES DEFINED IN SECTION 2201 (RELATING TO
12 DEFINITIONS) USING, IN ADDITION TO THE CRITERIA SET FORTH IN
13 SECTION 2201, OTHER CRITERIA AS IT DEEMS APPROPRIATE, INCLUDING
14 THE NUMBER OF EMPLOYEES AND THE DOLLAR VOLUME OF BUSINESS.
15 STATE-AFFILIATED ENTITIES SHALL IMPLEMENT THE POLICY FOR THEIR
16 PROCUREMENT PROGRAMS.

17 § 2203. VETERAN-OWNED SMALL BUSINESS PARTICIPATION GOALS.

18 EACH PURCHASING AGENCY SHALL HAVE AN ANNUAL GOAL OF NOT LESS
19 THAN 5% PARTICIPATION BY VETERAN-OWNED SMALL BUSINESSES IN ALL
20 CONTRACTS ENTERED INTO BY THE PURCHASING AGENCY. THE
21 PARTICIPATION GOAL SHALL APPLY TO THE OVERALL DOLLAR AMOUNT
22 EXPENDED BY THE PURCHASING AGENCY WITH RESPECT TO THE CONTRACTS.

23 § 2204. DUTIES OF DEPARTMENT.

24 THE DEPARTMENT SHALL HAVE THE FOLLOWING DUTIES:

25 (1) WHERE FEASIBLE, PROVIDE APPROPRIATE STAFF WHO SHALL
26 BE RESPONSIBLE TO THE DEPARTMENT AND WHO SHALL SERVE WITHIN
27 DESIGNATED COMMONWEALTH AGENCIES TO ASSIST VETERAN-OWNED
28 SMALL BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL
29 BUSINESSES IN THIS COMMONWEALTH IN LEARNING HOW TO DO
30 BUSINESS WITH COMMONWEALTH AGENCIES.

1 (2) GIVE SPECIAL PUBLICITY TO PROCUREMENT PROCEDURES AND
2 ISSUE SPECIAL PUBLICATIONS DESIGNED TO ASSIST VETERAN-OWNED
3 SMALL BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL
4 BUSINESSES IN LEARNING HOW TO DO BUSINESS WITH COMMONWEALTH
5 AGENCIES.

6 (3) COMPILE, MAINTAIN AND MAKE AVAILABLE SOURCE LISTS OF
7 VETERAN-OWNED SMALL BUSINESSES AND SERVICE-DISABLED
8 VETERAN-OWNED SMALL BUSINESSES FOR THE PURPOSE OF ENCOURAGING
9 PROCUREMENT FROM VETERAN-OWNED SMALL BUSINESSES.

10 (4) INCLUDE VETERAN-OWNED SMALL BUSINESSES AND
11 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES ON
12 SOLICITATION MAILING LISTS.

13 (5) ASSURE THAT VETERAN-OWNED SMALL BUSINESSES AND
14 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES ARE SOLICITED
15 ON EACH PROCUREMENT FOR WHICH THE BUSINESSES MAY BE SUITED.

16 (6) DEVELOP SPECIAL TRAINING PROGRAMS TO ASSIST VETERAN-
17 OWNED SMALL BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED
18 SMALL BUSINESSES IN LEARNING HOW TO DO BUSINESS WITH
19 COMMONWEALTH AGENCIES.

20 (7) ASSURE THAT PARTICIPATION BY VETERAN-OWNED SMALL
21 BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL
22 BUSINESSES IS APPROPRIATELY FACTORED INTO THE EVALUATION OF
23 PROPOSALS FOR SUPPLIES, SERVICES OR CONSTRUCTION WHEN A
24 PURCHASING AGENCY USES THE COMPETITIVE SEALED PROPOSALS
25 METHOD UNDER SECTION 513 (RELATING TO COMPETITIVE SEALED
26 PROPOSALS).

27 (8) CERTIFY BUSINESSES THAT HAVE BEEN IDENTIFIED AS
28 VETERAN-OWNED SMALL BUSINESSES AND SERVICE-DISABLED
29 VETERAN-OWNED SMALL BUSINESSES.

30 § 2205. BONDING AND PROGRESS PAYMENTS.

1 (A) BONDING.--NOTWITHSTANDING OTHER PROVISIONS OF THIS PART:

2 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), A PURCHASING
3 AGENCY MAY REDUCE THE LEVEL OR CHANGE THE TYPES OF BONDING
4 NORMALLY REQUIRED OR ACCEPT ALTERNATIVE FORMS OF SECURITY TO
5 THE EXTENT REASONABLY NECESSARY TO ENCOURAGE PROCUREMENT FROM
6 VETERAN-OWNED SMALL BUSINESSES AND SERVICE-DISABLED
7 VETERAN-OWNED SMALL BUSINESSES.

8 (2) FOR CONTRACTS UNDER \$50,000, VETERAN-OWNED SMALL
9 BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL
10 BUSINESSES SHALL BE EXEMPT FROM ANY BONDING REQUIREMENTS.

11 (B) PROGRESS PAYMENTS.--A PURCHASING AGENCY MAY MAKE SPECIAL
12 PROVISIONS FOR PROGRESS PAYMENTS AS IT DEEMS REASONABLY
13 NECESSARY TO ENCOURAGE PROCUREMENT FROM VETERAN-OWNED SMALL
14 BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES.
15 § 2206. (RESERVED).

16 § 2207. REPORTS.

17 (A) REPORT TO DEPARTMENT OF GENERAL SERVICES.--BY AUGUST 15,
18 2013, AND EACH AUGUST 15 THEREAFTER, EACH EXECUTIVE AND
19 INDEPENDENT AGENCY SHALL SUBMIT AN ANNUAL REPORT FOR THE PERIOD
20 OF JULY 1 TO JUNE 30 TO THE DEPARTMENT OF GENERAL SERVICES ON
21 ACTUAL UTILIZATION OF VETERAN-OWNED SMALL BUSINESSES AND
22 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES AS CONTRACTORS,
23 SUBCONTRACTORS, SUPPLIERS AND PROFESSIONAL SERVICE PROVIDERS.

24 (B) REPORT TO STANDING COMMITTEES.--THE DEPARTMENT AND EACH
25 STATE-AFFILIATED ENTITY SHALL ANNUALLY, BEFORE OCTOBER 1, REPORT
26 IN WRITING TO THE VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS
27 COMMITTEE OF THE SENATE AND THE VETERANS AFFAIRS AND EMERGENCY
28 PREPAREDNESS COMMITTEE OF THE HOUSE OF REPRESENTATIVES
29 CONCERNING TOTAL CONTRACT DOLLARS AWARDED TO VETERAN-OWNED SMALL
30 BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES

1 BY THE PURCHASING AGENCY DURING THE PRECEDING FISCAL YEAR. THE
2 REPORT SHALL INCLUDE A LIST OF ALL VETERAN-OWNED SMALL
3 BUSINESSES AND SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES
4 THAT PARTICIPATED AS CONTRACTORS, SUBCONTRACTORS OR SUPPLIERS
5 DURING THE PRECEDING FISCAL YEAR. THE DEPARTMENT AND STATE-
6 AFFILIATED ENTITY INITIAL REPORTS SHALL BE SUBMITTED TO THE
7 STANDING COMMITTEES UNDER THIS SECTION ON OR BEFORE OCTOBER 1,
8 2012, OR ON OR BEFORE OCTOBER 1 AT LEAST 12 MONTHS AFTER THE
9 EFFECTIVE DATE OF THIS SECTION, WHICHEVER IS LATER.

10 § 2208. COMPLIANCE WITH FEDERAL REQUIREMENTS.

11 IF A PROCUREMENT INVOLVES THE EXPENDITURE OF FEDERAL
12 ASSISTANCE OR CONTRACT FUNDS, THE PURCHASING AGENCY SHALL COMPLY
13 WITH FEDERAL LAW AND AUTHORIZED REGULATIONS THAT ARE MANDATORILY
14 APPLICABLE AND THAT ARE NOT PRESENTLY REFLECTED IN THIS PART.

15 Section ~~2-3~~ 5. This act shall take effect in 60 days. ←