

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 438 Session of 2023

INTRODUCED BY BARTOLOTTA, PHILLIPS-HILL, YAW, ROBINSON, COLLETT, KANE, SCHWANK, BREWSTER, COSTA, MILLER, MASTRIANO, DUSH AND AUMENT, MARCH 14, 2023

AS AMENDED ON THIRD CONSIDERATION, OCTOBER 25, 2023

AN ACT

1 Amending Title 51 (Military Affairs) of the Pennsylvania
2 Consolidated Statutes, in veteran-owned small businesses,
3 further providing for definitions; providing for ADDING <--
4 miscellaneous provisions RELATING TO VETERAN-OWNED BUSINESS <--
5 LOGOTYPE AND NONPROFIT MEMBERSHIP ASSOCIATION; and imposing a
6 penalty.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. The definition of "veteran" in section 9601 of
10 Title 51 of the Pennsylvania Consolidated Statutes is amended to
11 read:

12 § 9601. Definitions.

13 Subject to section 9602 (relating to regulations), the
14 following words and phrases when used in this chapter shall have
15 the meanings given to them in this section unless the context
16 clearly indicates otherwise:

17 * * *

18 "Veteran." [An individual who served in the United States
19 Armed Forces, including a reserve component or the National

1 Guard, and who was discharged or released from service under
2 conditions other than dishonorable.] Any of the following:

3 (1) An individual who served on active duty in the
4 United States Armed Forces, including the Reserve and
5 National Guard, who was discharged or released from service
6 under honorable conditions.

7 (2) A reservist or member of the National Guard who
8 completed an initial term of enlistment or qualifying period
9 of service.

10 (3) A reservist or member of the National Guard who was
11 disabled in the line of duty during training.

12 * * *

13 Section 2. Chapter 96 of Title 51 is amended by adding a
14 subchapter to read:

15 SUBCHAPTER D

16 MISCELLANEOUS PROVISIONS

17 Sec.

18 9621. Definitions.

19 9622. Veteran-owned business logotype.

20 9623. Nonprofit membership association.

21 § 9621. Definitions.

22 As used in this subchapter, the following words and phrases
23 shall have the meanings given to them in this section unless the
24 context clearly indicates otherwise:

25 "Nonprofit membership association." A nonprofit organization
26 whose mission is to support veterans, reservists, National Guard
27 members, their spouses and families.

28 "Veteran-owned business." A business owned or controlled by
29 a veteran.

30 § 9622. Veteran-owned business logotype.

1 (a) Logotype.--Except as provided under section 9623
2 (relating to nonprofit membership association), the department
3 shall develop and design an official Commonwealth logotype to be
4 used by a veteran-owned business.

5 (b) Application.--Except as provided under section 9623, the
6 department shall develop an application, criteria and
7 affirmation upon which an eligible business may apply for a
8 license to use the logotype under this section.

9 (c) Eligibility.--A veteran-owned business shall be eligible
10 to be issued a license to use the logotype if:

11 (1) the business is registered with the Department of
12 State; and

13 (2) at least 51% of the ownership interest in the
14 business is held by a veteran.

15 (d) Verification of military service status.--Except as
16 provided under section 9623, the following shall apply:

17 (1) The department shall verify the military service
18 status of each business owner seeking status as a veteran-
19 owned business without additional verification, by confirming
20 that the business:

21 (i) Possesses a valid verification issued by the
22 Department of General Services as a Veteran Business
23 Enterprise, including a Veteran-Owned Small Business
24 Enterprise or a Service-Disabled Veteran-Owned Small
25 Business Enterprise.

26 (ii) Possesses a valid verification issued by the
27 United States Department of Veterans Affairs through
28 VETBIZ or its successor.

29 (2) Nothing under this subsection shall prohibit the
30 department from working with another State agency or an

1 additional third-party entity to establish veteran-owned
2 business verification.

3 (e) Notice.--Within 10 days of the creation of a logotype
4 under this section and the establishment of the criteria
5 necessary to use and display the logotype and the applications
6 and instructions on how to complete and submit an application,
7 the department shall post on a publicly accessible Internet
8 website of the department, a notice that:

9 (1) The logotype under this section is available to an
10 eligible business.

11 (2) Includes the criteria necessary to receive a license
12 to use and display the logotype and allows for access to the
13 applications and instructions on how to complete and submit
14 the applications.

15 (f) Issuance.--Except as provided under section 9623, the
16 department shall issue a license to use and display the logotype
17 to an applicant deemed eligible under subsection (c).

18 (g) Penalty.--

19 (1) An individual commits a misdemeanor of the third
20 degree if the individual fraudulently holds the individual
21 out to be a veteran for the purpose of obtaining a license or
22 using a logotype under this subchapter.

23 (2) Notwithstanding any other provision of law, the full
24 amount of each fine collected for a violation of paragraph
25 (1) shall be deposited into the Veterans' Trust Fund.

26 ~~(i)~~ (H) Report.--By March 31 of each year, the department <--
27 shall prepare an annual report on the number of veteran-owned
28 businesses issued a license to use the logotype and the annual
29 applications and renewals of the license to use the logotype. A
30 copy of the report shall be sent to the Veterans Affairs and

1 Emergency Preparedness Committee of the Senate and the Veterans
2 Affairs and Emergency Preparedness Committee of the House of
3 Representatives.

4 § 9623. Nonprofit membership association.

5 The department may, except for section 9622(d) (relating to
6 veteran-owned business logotype), contract with a nonprofit
7 membership association to perform the duties and
8 responsibilities under section 9622.

9 Section 3. This act shall take effect in 60 days.