

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0136.01 Nicole Myers x4326

HOUSE BILL 14-1224

HOUSE SPONSORSHIP

Gardner,

SENATE SPONSORSHIP

Herpin,

House Committees
State, Veterans, & Military Affairs

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A SET ASIDE GOAL IN STATE PROCUREMENT FOR
102 SERVICE-DISABLED VETERAN OWNED SMALL BUSINESSES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill establishes a goal that, in awarding contracts that are subject to the "Procurement Code", each state agency will award at least 3% of all contracts by dollar value to service-disabled veteran owned small businesses. To satisfy this goal, a state agency may grant a preference, either by evaluation or by allowing a set aside, for

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

service-disabled veteran owned small businesses.

In awarding a contract to a business in furtherance of the 3% goal, a state agency is required to obtain verification from the business that the business is a certified service-disabled veteran owned small business by the United States department of veterans affairs.

The executive director of the department of personnel is required to submit an annual report regarding the state's progress in satisfying the 3% goal to the department of military and veterans affairs and to the committees of the house of representatives and the senate that have jurisdiction over state affairs and veterans affairs.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 24-103-211 as follows:

24-103-211. Service-disabled veteran owned small businesses - state procurement set aside - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "SERVICE-DISABLED VETERAN OWNED SMALL BUSINESS" MEANS A BUSINESS THAT IS:

(I) INCORPORATED OR ORGANIZED IN THE STATE OR THAT IS MAINTAINING A PLACE OF BUSINESS OR OFFICE IN THE STATE; AND

(II) OFFICIALLY REGISTERED AND VERIFIED AS A SERVICE-DISABLED VETERAN OWNED SMALL BUSINESS BY THE CENTER FOR VETERANS ENTERPRISE WITHIN THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS.

(b) "STATE AGENCY" MEANS A PRINCIPAL DEPARTMENT OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT AS SPECIFIED IN SECTION 24-1-110, INCLUDING ANY DIVISION, OFFICE, AGENCY, OR OTHER UNIT CREATED WITHIN A PRINCIPAL DEPARTMENT, INCLUDING INSTITUTIONS OF HIGHER EDUCATION AND THE COLORADO COMMISSION ON HIGHER EDUCATION; EXCEPT THAT "STATE AGENCY" DOES NOT INCLUDE THOSE

1 ENTITIES THAT HAVE ELECTED TO BE EXEMPT FROM THE CODE PURSUANT
2 TO SECTION 24-101-105 (1) (b).

3 (2) IN AWARDING ALL CONTRACTS THAT ARE SUBJECT TO THIS
4 CODE, EACH STATE AGENCY SHALL HAVE THE GOAL OF AWARDING AT
5 LEAST THREE PERCENT OF ALL SUCH CONTRACTS, BY DOLLAR VALUE, TO
6 SERVICE-DISABLED VETERAN OWNED SMALL BUSINESSES. TO SATISFY THIS
7 GOAL, A STATE AGENCY MAY GRANT A PREFERENCE, EITHER BY
8 EVALUATION OR BY ALLOWING A SET ASIDE, FOR SERVICE-DISABLED
9 VETERAN OWNED SMALL BUSINESSES.

10 (3) WHEN A STATE AGENCY INTENDS TO AWARD A CONTRACT TO
11 A BUSINESS IN FURTHERANCE OF THE THREE PERCENT GOAL SPECIFIED IN
12 SUBSECTION (2) OF THIS SECTION, THE STATE AGENCY SHALL, PRIOR TO
13 AWARDING THE CONTRACT, REQUIRE THE BUSINESS TO SUBMIT TO THE
14 AGENCY DOCUMENTATION FROM THE UNITED STATES DEPARTMENT OF
15 VETERANS AFFAIRS THAT VERIFIES THAT THE BUSINESS IS A
16 SERVICE-DISABLED VETERAN OWNED SMALL BUSINESS.

17 (4) ON OR BEFORE SEPTEMBER 30, 2015, AND ON OR BEFORE
18 SEPTEMBER 30 EACH YEAR THEREAFTER, THE EXECUTIVE DIRECTOR SHALL
19 SUBMIT A REPORT REGARDING THE STATE'S PROGRESS IN SATISFYING THE
20 THREE PERCENT GOAL ESTABLISHED IN THIS SECTION TO THE DEPARTMENT
21 OF MILITARY AND VETERANS AFFAIRS AND TO THE COMMITTEES OF THE
22 HOUSE OF REPRESENTATIVES AND THE SENATE THAT HAVE JURISDICTION
23 OVER STATE AFFAIRS AND VETERANS AFFAIRS. THE REPORT SHALL
24 INCLUDE THE FOLLOWING:

25 (a) THE NUMBER OF CONTRACTS THAT EACH STATE AGENCY
26 AWARDED TO SERVICE-DISABLED VETERAN OWNED SMALL BUSINESSES IN
27 THE PRIOR FISCAL YEAR;

1 (b) THE TOTAL DOLLAR AMOUNT OF CONTRACTS THAT EACH STATE
2 AGENCY AWARDED TO SERVICE-DISABLED VETERAN OWNED SMALL
3 BUSINESSES IN THE PRIOR FISCAL YEAR AND THE PERCENTAGE THAT SUCH
4 DOLLAR AMOUNT BEARS TO THE TOTAL DOLLAR AMOUNT OF CONTRACTS
5 AWARDED BY THE STATE AGENCY IN THE PRIOR FISCAL YEAR; AND

6 (c) THE TOTAL NUMBER OF SERVICE-DISABLED VETERAN OWNED
7 SMALL BUSINESSES THAT RESPONDED TO SOLICITATION FOR BIDS OR
8 PROPOSALS ISSUED BY EACH STATE AGENCY IN THE PRIOR FISCAL YEAR.

9 **SECTION 2. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.