

ASSEMBLY BILL

No. 309

Introduced by Assembly Member Price

February 17, 2009

An act to add Section 14838.8 to the Government Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 309, as introduced, Price. Public contracts: small business participation.

Existing law, the Small Business Procurement and Contract Act, requires the Director of General Services and the heads of other state agencies that enter into contracts for the provision of goods, services, and information technology and for the construction of state facilities to establish goals for the participation of small businesses in these contracts, to provide for small business preference in the award of these contracts, to give special consideration and special assistance to small businesses, and, whenever possible, to make awards to small businesses, as specified.

This bill would require all state agencies, departments, boards, and commissions to establish and achieve a goal of 25% small business participation in state procurements and contracts, to ensure that the state's procurement and contract processes are administered in order to meet or exceed the goal, and to report to the Director of General Services statistics regarding small business participation in his or her agency's procurements and contracts.

The bill would require the Department of General Services to monitor the progress of the agencies toward meeting the goal, to notify the head of each agency of his or her agency's successes and deficiencies toward

meeting the goal, and to provide this information to the Office of Small Business Advocate.

The bill would also require a state agency, department, board, or commission that has not achieved the goal by December 31, 2010, to submit an implementation and corrective action plan to the Department of General Services on or before August 1, 2011, and every year thereafter as long as that agency fails to meet or exceed the goal. The bill would require the department, in collaboration with the Office of Small Business Advocate, to review any implementation and corrective action plans received, and to explore ways to work with the agencies that have not met the goal to improve performance.

The bill would require all state agencies, departments, boards, and commissions to work with the department to help small businesses market their products, goods, and services to the state by providing access to information about current bid opportunities on their Internet Web sites.

The bill would also require the Office of Small Business Advocate to collaborate with the Department of General Services to cooperatively enhance the state’s small business program by helping small businesses secure needed financing.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14838.8 is added to the Government
- 2 Code, to read:
- 3 14838.8. In order to encourage small business participation in
- 4 state contracts, all state agencies, departments, boards, and
- 5 commissions shall establish and achieve a goal of 25 percent small
- 6 business participation in state procurements and contracts.
- 7 (a) Notwithstanding any other provision of this chapter, the
- 8 heads of all state agencies, departments, boards, and commissions
- 9 shall ensure that the state’s procurement and contract processes
- 10 are administered in order to meet or exceed the 25 percent small
- 11 business participation goal, and shall report to the Director of
- 12 General Services statistics regarding small business participation
- 13 in his or her agency’s procurements and contracts.
- 14 (b) (1) The Department of General Services shall monitor the
- 15 progress of all state agencies, departments, boards, and

1 commissions toward meeting the 25 percent small business
2 participation goal.

3 (2) The department shall notify the head of each state agency,
4 department, board, or commission of his or her agency's successes
5 and deficiencies toward meeting the 25 percent small business
6 participation goal, based on its findings from monitoring that
7 agency's progress.

8 (3) The department shall provide this information to the Office
9 of Small Business Advocate.

10 (c) (1) A state agency, department, board, or commission that
11 has not achieved the 25 percent small business participation goal
12 by December 31, 2010, shall submit an implementation and
13 corrective action plan to the Department of General Services on
14 or before August 1, 2011, and annually thereafter as long as that
15 agency fails to meet or exceed the goal.

16 (2) The Department of General Services, in collaboration with
17 the Office of Small Business Advocate, shall review any
18 implementation and corrective action plans received, and shall
19 explore ways, including memoranda of understanding, to work
20 with the agencies that have not met the goal to improve
21 performance.

22 (d) All state agencies, departments, boards, and commissions
23 shall use the Statutory Informal Bidding Provisions to contract
24 with small businesses for goods and services contracts under one
25 hundred thousand dollars (\$100,000) and construction contracts
26 under one hundred twenty thousand dollars (\$120,000) whenever
27 possible.

28 (e) (1) The Department of General Services shall actively
29 promote small business certification, help small businesses market
30 their products, goods, and services to the state, and promote the
31 use of the Subscription Outreach Service of the State Contracts
32 Register.

33 (2) All state agencies, departments, boards, and commissions
34 shall work with the department to help small businesses market
35 their products, goods, and services to the state by providing access
36 to information about current bid opportunities on their Internet
37 Web sites.

38 (f) The Office of Small Business Advocate shall collaborate
39 with the Department of General Services to cooperatively enhance

- 1 the state's small business program by helping small businesses
- 2 secure needed financing.

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