

AMENDED IN ASSEMBLY APRIL 10, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2248

Introduced by Assembly Member Cook

February 24, 2012

An act to add ~~Article 8 (commencing with Section 999.75) to Chapter 6 of Division 4 of the Military and Veterans Section 10354 to the Public Contract Code, relating to veterans public contracts.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2248, as amended, Cook. ~~Veterans: service providers. State contracts: veterans' services.~~

Existing law provides for certain services, protections, and benefits for veterans. Existing law establishes a 3-percent participation goal for disabled veteran business enterprises in state procurement.

This bill would require ~~each entity of state government to give preference to a qualified entity, as defined, when awarding a grant or contract to provide social services to veterans. This bill would require a qualified entity to submit with the application for the grant or the bid for contract a certification, as provided, from the Department of Veterans Affairs. This bill would also authorize the Department of Veterans Affairs to conduct audits of qualified entities, as specified the Director of General Services to establish criteria identifying state contracts for social services provided to veterans or their families and to create a process that would provide a participation incentive to specified bidders for state contracts for social services provided to veterans or their families for use by all state agencies. This bill would also make findings and declarations regarding the need for these programs.~~

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 10354 is added to the Public Contract
2 Code, to read:

3 10354. (a) The Legislature finds and declares that it is
4 necessary to make explicit, in the award of state contracts for
5 social services to veterans or their families, that consideration be
6 made by the contracting entity of the experience and qualifications
7 of the bidders for the contract and to provide an incentive for the
8 selection of those bidders that demonstrate competency.

9 (b) The Director of General Services shall adopt written policies
10 and guidelines for use by contracting entities in determining
11 whether a contract is a contract for social services to veterans or
12 their families. A type of contract for social services may include,
13 but is not limited to, the following:

- 14 (1) A contract for housing services.
- 15 (2) A contract for mental health services.
- 16 (3) A contract for employment and job training services.

17 (c) (1) The Director of General Services shall adopt written
18 policies and guidelines establishing a uniform process for state
19 contracting that provides a participation incentive to bidders that
20 demonstrate indicia of competency under a contract for social
21 services to veterans or their families. Indicia of competency
22 includes, but is not limited to:

- 23 (A) Knowledge, experience, and capacity to provide services
24 to veterans.
- 25 (B) Audits and employment history documenting fiscal and
26 management capacity to capably perform public contracts.
- 27 (C) Documentation that the bidder is exempt from income
28 taxation as an organization described in Section 501(c)(3) of the
29 Internal Revenue Code and whose charitable purpose is the
30 provision of services to veterans and their families.

31 (D) Documentation that the majority of the bidder's resources
32 are dedicated to serving the needs of veterans and their families.

33 (E) Documentation of current required filings with the Secretary
34 of State, the Office of the Attorney General, and the Franchise Tax
35 Board.

1 (2) *Notwithstanding any other law, the incentive program*
2 *established by this subdivision shall be used by all state agencies*
3 *when awarding contracts for social services that are specifically*
4 *intended to serve veterans or their families.*

5 (d) *The department shall adopt rules and regulations as*
6 *necessary or appropriate to implement this section.*

7 SECTION 1. ~~Article 8 (commencing with Section 999.75) is~~
8 ~~added to Chapter 6 of Division 4 of the Military and Veterans~~
9 ~~Code, to read:~~

10
11 Article 8. ~~Veterans Preference For State Services Contracts~~

12
13 999.75. ~~For purposes of this article, both of the following shall~~
14 ~~apply:~~

15 (a) ~~A “qualified entity” means an entity that provides veterans~~
16 ~~with services, as specified in subdivision (a) of Section 999.76,~~
17 ~~and is capable of managing the grant moneys provided or the~~
18 ~~contract funds allocated in a fiscally prudent manner, and that~~
19 ~~meets all of the following requirements:~~

20 (1) ~~Demonstrates the knowledge, experience, and capacity to~~
21 ~~provide desired services to veterans.~~

22 (2) ~~Demonstrates through audits and employment history the~~
23 ~~fiscal and management capacity to capably perform public~~
24 ~~contracts.~~

25 (3) ~~Is a nonprofit organization that is exempt from federal~~
26 ~~income taxation as an organization described in Section 501(c)(3)~~
27 ~~of the Internal Revenue Code with the primary purpose of~~
28 ~~providing services to veterans and their families.~~

29 (4) ~~Demonstrates that the majority of the entity’s resources are~~
30 ~~dedicated to serving the needs of veterans and their families.~~

31 (5) ~~Demonstrates that all required filings with the Secretary of~~
32 ~~State, the office of the Attorney General, and the Franchise Tax~~
33 ~~Board, are current.~~

34 (b) ~~A qualified entity shall provide to the department all of the~~
35 ~~following up-to-date documents:~~

36 (1) ~~Articles of incorporation, and all amendments to the articles~~
37 ~~of incorporation.~~

38 (2) ~~IRS Letter of Determination.~~

39 (3) ~~Taxpayer identification number.~~

40 (4) ~~Independent audit reports dating back three years.~~

1 999.76.—(a) Notwithstanding any other law, each entity of state
2 government that awards grants to, or enters into contracts with,
3 nongovernmental agencies shall give preference to a qualified
4 entity when awarding a grant for a project that would provide to
5 veterans, or when entering into a contract to provide to veterans
6 social services, including, but not limited to, housing services,
7 mental health services, or employment and job training services.

8 (b) The qualified entity shall submit, with the application for
9 the grant or the bid for the contract, a certification from the
10 department.

11 (c) (1) In order to obtain a certification as required by
12 subdivision (b), the qualified entity shall apply to the department,
13 in a form and manner as required by the department, for
14 certification of its status as a qualified entity.

15 (2) The department shall process and approve or reject all
16 applications on the basis of the requirements set forth in Section
17 999.75.

18 (d) The department may conduct an audit of qualified entities
19 that receive grant funds, as provided by this section, to ensure the
20 grant funds are being used to serve veterans. The results of an audit
21 shall be made available to the public. The department may comply
22 with the requirements of this subdivision by posting the results of
23 an audit on its Internet Web site.

24 999.77.—(a) A certification approved by the department shall
25 be valid for two years from the date the department accepts
26 credentials for certification.

27 (b) The department may accept current certifications and licenses
28 from any other state entity, agency, or department in order to
29 provide a certification to a qualified entity pursuant to subdivisions
30 (b) and (c) of Section 99.76.