

ASSEMBLY BILL

No. 173

Introduced by Assembly Member Weber

January 24, 2013

An act to add Sections 14838.60 and 14838.64 to the Government Code, and to add Section 20651.2 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 173, as introduced, Weber. Postsecondary education: Small Business Procurement and Contract Act.

Existing law, the Small Business Procurement and Contract Act, permits a state agency to award a contract for goods, services, or information technology with a value of between \$5,000 and \$250,000 to a certified small business, including a microbusiness and a disabled veteran business enterprise, without complying with specified competitive bidding requirements.

Existing law establishes provisions regarding the award of contracts for goods and services applicable to the University of California, the California State University, and the California Community Colleges.

This bill would, notwithstanding those provisions, similarly authorize the University of California, the California State University, and a community college district to award a contract for goods, services, or information technology with a value of between \$5,000 and \$250,000 to a certified small business, including a microbusiness and a disabled veteran business enterprise, without complying with specified competitive bidding requirements. The bill would declare that it is not applicable to the University of California except to the extent that the

Regents of the University of California, by appropriate resolution, make it applicable.

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 14838.60 is added to the Government
2 Code, immediately following Section 14838.5, to read:

3 14838.60. (a) Notwithstanding any provision of law, including,
4 but not limited to, the advertising, bidding, and protest provisions
5 of Chapter 6 (commencing with Section 14825) of this part, and
6 Chapter 2.1 (commencing with Section 10500) and Chapter 3
7 (commencing with Section 12100) of Part 2 of Division 2 of the
8 Public Contract Code, the University of California may award a
9 contract for the acquisition of goods, services, or information
10 technology that has an estimated value of greater than five thousand
11 dollars (\$5,000), but less than two hundred fifty thousand dollars
12 (\$250,000), to a certified small business, including a microbusiness,
13 or to a disabled veteran business enterprise, as long as the
14 University of California obtains price quotations from two or more
15 certified small businesses, including microbusinesses, or from two
16 or more disabled veteran business enterprises.

17 (b) In carrying out subdivision (a), the University of California
18 shall consider a responsive offer timely received from a responsible
19 certified small business, including a microbusiness, or from a
20 disabled veteran business enterprise.

21 (c) If the estimated cost to the state is less than five thousand
22 dollars (\$5,000) for the acquisition of goods, services, or
23 information technology, or a greater amount as administratively
24 established by the director, the University of California shall obtain
25 at least two price quotations from responsible suppliers whenever
26 there is reason to believe a response from a single source is not a
27 fair and reasonable price.

28 (d) No provision of this section shall apply to the University of
29 California except to the extent that the Regents of the University
30 of California, by appropriate resolution, make that provision
31 applicable.

32 SEC. 2. Section 14838.64 is added to the Government Code,
33 to read:

1 14838.64. (a) Notwithstanding any provision of law, including,
2 but not limited to, the advertising, bidding, and protest provisions
3 of Chapter 6 (commencing with Section 14825) of this part and
4 Chapter 2.5 (commencing with Section 10700) and Chapter 3
5 (commencing with Section 12100) of Part 2 of Division 2 of the
6 Public Contract Code, the California State University may award
7 a contract for the acquisition of goods, services, or information
8 technology that has an estimated value of greater than five thousand
9 dollars (\$5,000), but less than two hundred fifty thousand dollars
10 (\$250,000), to a certified small business, including a microbusiness,
11 or to a disabled veteran business enterprise, as long as the
12 California State University obtains price quotations from two or
13 more certified small businesses, including microbusinesses, or
14 from two or more disabled veteran business enterprises.

15 (b) In carrying out subdivision (a), the California State
16 University shall consider a responsive offer timely received from
17 a responsible certified small business, including a microbusiness,
18 or from a disabled veteran business enterprise.

19 (c) If the estimated cost to the state is less than five thousand
20 dollars (\$5,000) for the acquisition of goods, services, or
21 information technology, or a greater amount as administratively
22 established by the director, the California State University shall
23 obtain at least two price quotations from responsible suppliers
24 whenever there is reason to believe a response from a single source
25 is not a fair and reasonable price.

26 SEC. 3. Section 20651.2 is added to the Public Contract Code,
27 to read:

28 20651.2. (a) Notwithstanding any provision of law, including,
29 but not limited to, the advertising, bidding, and protest provisions
30 of this article and Division 7 (commencing with Section 70900)
31 of Title 3 of the Education Code, the governing board of a
32 community college district may award a contract for the acquisition
33 of goods, services, or information technology that has an estimated
34 value of greater than five thousand dollars (\$5,000), but less than
35 two hundred fifty thousand dollars (\$250,000), to a certified small
36 business, including a microbusiness, or to a disabled veteran
37 business enterprise, as long as the community college district
38 obtains price quotations from two or more certified small
39 businesses, including microbusinesses, or from two or more
40 disabled veteran business enterprises.

1 (b) In carrying out subdivision (a), a community college district
2 shall consider a responsive offer timely received from a responsible
3 certified small business, including a microbusiness, or from a
4 disabled veteran business enterprise.

5 (c) If the estimated cost to the community college district is less
6 than five thousand dollars (\$5,000) for the acquisition of goods,
7 services, or information technology, or a greater amount as
8 administratively established by the Board of Governors of the
9 California Community Colleges, a community college district shall
10 obtain at least two price quotations from responsible suppliers
11 whenever there is reason to believe a response from a single source
12 is not a fair and reasonable price.

13 (d) The definitions set forth in Section 14837 of the Government
14 Code apply to this section.

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17 **CORRECTIONS:**

18 **Text—Pages 2, 3, & 4.**

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