

ASSEMBLY BILL

No. 1029

Introduced by Assembly Member Frazier

February 26, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1029, as introduced, Frazier. Veterans: service providers.

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. The 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. The bill would also authorize the Department of Veterans Affairs to conduct audits of qualified entities, as specified.

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. Article 8 (commencing with Section 999.75) is
- 2 added to Chapter 6 of Division 4 of the Military and Veterans
- 3 Code, to read:

1 Article 8. Veterans Preference For State Services Contracts

2

3 999.75. For purposes of this article, both of the following shall
4 apply:

5 (a) A “qualified entity” means an entity that provides veterans
6 with services, as specified in subdivision (a) of Section 999.76,
7 and is capable of managing the grant moneys provided or the
8 contract funds allocated in a fiscally prudent manner, and that
9 meets all of the following requirements:

10 (1) Demonstrates the knowledge, experience, and capacity to
11 provide desired services to veterans.

12 (2) Demonstrates through audits and employment history the
13 fiscal and management capacity to capably perform public
14 contracts.

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

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

21 (5) Demonstrates that all required filings with the Secretary of
22 State, the office of the Attorney General, and the Franchise Tax
23 Board are current.

24 (b) A qualified entity shall provide to the department all of the
25 following up-to-date documents:

26 (1) Articles of incorporation and all amendments to the articles
27 of incorporation.

28 (2) IRS Letter of Determination.

29 (3) Taxpayer identification number.

30 (4) Independent audit reports dating back three years.

31 999.76. (a) Notwithstanding any other law, each entity of state
32 government that awards grants to, or enters into contracts with,
33 nongovernmental agencies shall give preference to a qualified
34 entity when awarding a grant for a project that would provide to
35 veterans, or when entering into a contract to provide to veterans,
36 social services, including, but not limited to, housing services,
37 mental health services, or employment and job training services.

38 (b) The qualified entity shall submit, with the application for
39 the grant or the bid for the contract, a certification from the
40 department.

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

5 (2) The department shall process and approve or reject all
6 applications on the basis of the requirements set forth in Section
7 999.75.

8 (d) The department may conduct an audit of qualified entities
9 that receive grant funds, as provided by this section, to ensure the
10 grant funds are being used to serve veterans. The results of an audit
11 shall be made available to the public. The department may comply
12 with the requirements of this subdivision by posting the results of
13 an audit on its Internet Web site.

14 999.77. (a) A certification approved by the department shall
15 be valid for two years from the date the department accepts
16 credentials for certification.

17 (b) The department may accept current certifications and licenses
18 from any other state entity, agency, or department in order to
19 provide a certification to a qualified entity pursuant to subdivisions
20 (b) and (c) of Section 999.76.