A bill to be entitled

An act relating to service-disabled veteran business enterprises; creating the Florida Service-Disabled Veteran Business Enterprise Opportunity Act; providing legislative intent; providing definitions; providing a selection preference in state contracting for certified servicedisabled veteran business enterprises; providing a certification procedure to be established by the Department of Management Services and the Department of Veterans' Affairs and reviewed biennially and updated as necessary; providing requirements for application for, renewal of, and revocation of certification; providing duties of the departments; providing for data reporting by the Florida Small Business Development Center; authorizing the departments to adopt rules; amending s. 288.705, F.S.; requiring the center to report the percentage of servicedisabled veteran business enterprises using the statewide contracts register; providing an effective date.

18 19

1

2

3

4 5

6 7

8

9

10

11

12

13

14

15

16

17

Be It Enacted by the Legislature of the State of Florida:

21

22

23

24

25

26

27

28

20

- Section 1. <u>Florida Service-Disabled Veteran Business</u>
 Enterprise Opportunity Act.--
- (1) SHORT TITLE.--This section may be cited as the
 "Florida Service-Disabled Veteran Business Enterprise
 Opportunity Act."
- (2) INTENT.--It is the intent of the Legislature to rectify the economic disadvantage of service-disabled veterans,

Page 1 of 7

who are statistically the least likely to be self-employed when compared to the veteran population as a whole and who have made extraordinary sacrifices on behalf of the nation, the state, and the public, by providing opportunities for service-disabled veteran business enterprises as set forth in this section.

- (3) DEFINITIONS.--For the purpose of this section, the term:
- (a) "Certified service-disabled veteran business enterprise" means a business that has been certified by the Department of Management Services to be a service-disabled veteran business enterprise as defined in paragraph (c).
- (b) "Service-disabled veteran" means a veteran who is a permanent Florida resident with a service-connected disability of 10 percent or greater as determined by the United States

 Department of Veterans Affairs or who has been terminated from military service by reason of disability by the United States

 Department of Defense.
- (c) "Service-disabled veteran business enterprise" means an independently owned and operated business that:
 - 1. Employs 200 or fewer permanent full-time employees;
- 2. Together with its affiliates has a net worth of \$5 million or less or, if a sole proprietorship, has a net worth of \$5 million or less including both personal and business investments;
 - 3. Is organized to engage in commercial transactions;
 - 4. Is domiciled in this state;
- 5. Is at least 51 percent owned by one or more service-disabled veterans; and

Page 2 of 7

6. The management and daily business operations of which are controlled by one or more service-disabled veterans or, for a service-disabled veteran with a permanent and total disability, by the spouse or permanent caregiver of the veteran.

(4) VENDOR PREFERENCE. --

- (a) A state agency, when considering two or more bids, proposals, or replies for the procurement of commodities or contractual services, at least one of which is from a certified service-disabled veteran business enterprise, that are equal with respect to all relevant considerations, including price, quality, and service, shall award such procurement or contract to the certified service-disabled veteran business enterprise.
- (b) Notwithstanding s. 287.057(12), Florida Statutes, if a service-disabled veteran business enterprise entitled to the vendor preference under this section and one or more businesses entitled to this preference or another vendor preference provided by law submit bids, proposals, or replies for procurement of commodities or contractual services that are equal with respect to all relevant considerations, including price, quality, and service, then the state agency shall award the procurement or contract to the business having the smallest net worth.
- (c) Political subdivisions of the state are encouraged to offer a similar consideration to businesses certified under this section.
 - (5) CERTIFICATION PROCEDURE. --
- (a) The application for certification as a service-disabled veteran business enterprise must, at a minimum,

Page 3 of 7

include:

1. The name of the business enterprise applying for certification and the name of the service-disabled veteran submitting the application on behalf of the business enterprise.

- 2. The names of all owners of the business enterprise, including owners who are service-disabled veterans and owners who are not service-disabled veterans, and the percentage of ownership interest held by each owner.
- 3. The name of all persons involved in both the management and daily operations of the business, including the spouse or permanent caregiver of a veteran with a permanent and total disability.
- 4. The service-connected disability rating of all persons listed under subparagraphs 1., 2., and 3., as applicable, with supporting documentation from the United States Department of Veterans Affairs or the United States Department of Defense.
 - 5. The number of permanent full-time employees.
 - 6. The location of the business headquarters.
- 7. The total net worth of the business enterprise and its affiliates. In the case of a sole proprietorship, the net worth includes personal and business investments.
- (b) To maintain certification, a service-disabled veteran business enterprise shall renew its certification biennially.
- (c) The provisions of chapter 120 relating to application, denial, and revocation procedures shall apply to certifications under this section.
- (d) A certified service-disabled veteran business enterprise must notify the Department of Management Services

Page 4 of 7

within 30 business days after any event that may significantly affect the certification of the business, including, but not limited to, a change in ownership or change in management and daily business operations.

- (e) The certification of a service-disabled veteran business enterprise shall be revoked for 12 months if the Department of Management Services determines that the business enterprise violated paragraph (d). An owner of a certified service-disabled veteran business enterprise whose certification is revoked is not permitted to reapply for certification under this section as an owner of any business enterprise during the 12-month revocation period.
- 1. During the 12-month revocation period, a service-disabled veteran business enterprise whose certification has been revoked may bid on state contracts but is not eligible for any preference available under this section.
- 2. A service-disabled veteran business enterprise whose certification has been revoked may apply for certification at the conclusion of the 12-month revocation period by complying with requirements applicable to initial certifications.
- (6) DUTIES OF THE DEPARTMENT OF VETERANS' AFFAIRS.--The department shall:
- (a) Assist the Department of Management Services in establishing a certification procedure, which shall be reviewed biennially and updated as necessary.
- (b) Identify eligible service-disabled veteran business enterprises by any electronic means, including electronic mail or Internet website, or by any other reasonable means.

Page 5 of 7

(c) Encourage and assist eligible service-disabled veteran business enterprises to apply for certification under this section.

- (d) Provide information regarding services that are available from the Office of Veterans' Business Outreach of the Florida Small Business Development Center to service-disabled veteran business enterprises.
- (7) DUTIES OF THE DEPARTMENT OF MANAGEMENT SERVICES.--The department shall:
- (a) With assistance from the Department of Veterans'

 Affairs, establish a certification procedure, which shall be reviewed biennially and updated as necessary.
- (b) Grant, deny, or revoke the certification of a service-disabled veteran business enterprise under this section.
- (c) Maintain an electronic directory of certified service-disabled veteran business enterprises for use by the state, political subdivisions of the state, and the public.
- (8) REPORT.--The Small Business Development Center shall include in its report required by s. 288.705, Florida Statutes, the percentage of certified service-disabled veteran business enterprises using the statewide contracts register.
- (9) RULES.--The Department of Veterans' Affairs and the Department of Management Services, as appropriate, may adopt rules as necessary to administer this section.
- Section 2. Section 288.705, Florida Statutes, is amended to read:
- 288.705 Statewide contracts register.--All state agencies shall in a timely manner provide the Florida Small Business

Page 6 of 7

Development Center Procurement System with all formal solicitations for contractual services, supplies, and commodities. The Small Business Development Center shall coordinate with Minority Business Development Centers to compile and distribute this such information to Florida small and minority businesses requesting such service for the period of time necessary to familiarize the business with the market represented by state agencies. On or before February 1 of each year, the Small Business Development Center shall report to the Agency for Workforce Innovation Department of Labor and Employment Security on the use utilization of the statewide contracts register. The Such report shall include, but not be limited to, information relating to:

- (1) The total number of solicitations received from state agencies during the calendar year.
- (2) The number of solicitations received from each state agency during the calendar year.
- (3) The method of distributing solicitation information to those businesses requesting such service.
 - (4) The total number of businesses using the service.
- (5) The percentage of businesses using the service which are owned and controlled by minorities.
- (6) The percentage of service-disabled veteran business enterprises using the service.
 - Section 3. This act shall take effect November 11, 2008.