

By the Committee on Military Affairs and Domestic Security; and
Senator Fasano

583-02860-08

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1 A bill to be entitled

2 An act relating to service-disabled veteran businesses;
3 creating the Florida Service-Disabled Veteran Business
4 Enterprise Opportunity Act; providing legislative intent;
5 providing definitions; providing a selection preference in
6 state contracting for certified service-disabled veteran
7 businesses; providing a certification procedure; providing
8 for the revocation of certification; providing for the
9 duties of the Department of Veterans' Affairs and the
10 Department of Management Services; providing for data
11 reporting; authorizing the departments to adopt rules;
12 amending s. 288.705, F.S.; requiring the Small Business
13 Development Center to report the percentage of service-
14 disabled veteran businesses using the statewide contracts
15 registry; amending s. 288.7015, F.S.; requiring the state
16 rules ombudsman to review state rules that adversely
17 affect service-disabled veteran business; providing an
18 effective date.

19
20 Be It Enacted by the Legislature of the State of Florida:

21
22 Section 1. Florida Service-Disabled Veteran Business
23 Enterprise Opportunity Act.--

24 (1) TITLE.--This section may be cited as the "Florida
25 Service-Disabled Veteran Business Enterprise Opportunity Act."

26 (2) INTENT.--It is the intent of the Legislature to rectify
27 the economic disadvantage of service-disabled veterans, who are
28 statistically the least likely to be self-employed when compared
29 to the veteran population as a whole and who have made

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30 extraordinary sacrifices on behalf of the nation, the state, and
31 the public, by providing opportunities for service-disabled
32 veteran business enterprises as set forth in this section.

33 (3) DEFINITIONS.--For the purpose of this section, the
34 term:

35 (a) "Certified service-disabled veteran business
36 enterprise" means a business that has been certified by the state
37 to be a service-disabled veteran business enterprise as defined
38 in paragraph (c).

39 (b) "Service-disabled veteran" means a veteran who has a
40 service-connected disability of 10 percent or greater as
41 determined by the United States Department of Veterans Affairs or
42 who has been terminated from military service by reason of
43 disability by the United States Department of Defense.

44 (c) "Service-disabled veteran business enterprise" means an
45 independently owned and operated business that:

46 1. Employs 200 or fewer permanent full-time employees;

47 2. Together with its affiliates has a net worth of \$5
48 million or less and, if a sole proprietorship, the net worth
49 includes both personal and business investments;

50 3. Is organized to engage in commercial transactions;

51 4. Is domiciled in this state;

52 5. Is at least 51 percent owned by one or more service-
53 disabled veterans; and

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

58 (4) VENDOR PREFERENCE.--

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59 (a) A state agency, when considering two or more bids,
60 proposals, or replies for the procurement of commodities or
61 contractual services, at least one of which is from a certified
62 service-disabled veteran business enterprise, and that are equal
63 with respect to all relevant considerations including price,
64 quality, and service, shall award such procurement or contract to
65 the certified service-disabled veteran business enterprise.

66 (b) Notwithstanding s. 287.057(12), Florida Statutes, if a
67 business that is entitled to the vendor preference under
68 paragraph (a) and one or more businesses entitled to this
69 preference or another vendor preference are equal with respect to
70 all relevant considerations including price, quality, and
71 service, the business having the smallest net worth or average
72 annual income shall receive the award.

73 (c) Political subdivisions of the state are encouraged to
74 offer a similar consideration to businesses certified under this
75 section.

76 (5) CERTIFICATION PROCEDURE.--

77 (a) The application for certification as a service-disabled
78 veteran business enterprise must, at a minimum, include:

79 1. The name of the applicant, who must be the service-
80 disabled veteran business owner, or one of the owners for a
81 business that has more than one service-disabled veteran owner.

82 2. The name of all other owners of the business, including
83 service-related business owners and nonservice-related owners.

84 3. The name of all persons involved in the management and
85 daily operations of the business, including the spouse or
86 permanent caregiver of a veteran with a permanent and total
87 disability.

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88 4. The service-connected disability of all persons listed
89 under subparagraphs 1., 2., and 3., as applicable, with
90 supporting documentation from the United States Department of
91 Veterans Affairs or the United States Department of Defense.

92 5. The number of permanent full-time employees.

93 6. The location of the business headquarters.

94 7. The total net worth, including affiliates, and, in the
95 case of a sole proprietor, the total net worth of any personal or
96 business investments in the business.

97 (b) To maintain certification, a certified business must
98 reapply and renew its certification biennially.

99 (c) The Department of Management Services shall render a
100 determination on an application for certification and notify the
101 applying business within 90 days.

102 (d) A certified service-disabled business enterprise must
103 report within 30 days to the Department of Management Services
104 any event that may significantly affect the certification of the
105 business, including, but not limited to, a change in ownership or
106 change in management and daily business operations.

107 (e) If a certified business is determined by the Department
108 of Management Services to have violated paragraph (d), the
109 business shall have its certification revoked and the business
110 may not reapply for 12 months. No other service-disabled veteran
111 named on the certification application who may be eligible to
112 apply for certification for the business whose certification has
113 been revoked or for any other business may apply for
114 certification under this section during the 12-month revocation
115 period.

116 1. During the 12-month revocation period, the business may

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117 continue to bid on state contracts but is not eligible for any
118 preferences available under this section until it is recertified.

119 2. A business for which certification has been revoked may
120 reapply for certification at the conclusion of the 12-month
121 period in order to regain the preferences it may be due under
122 this section.

123 (f) A business that has its certification denied or revoked
124 may appeal to the Department of Management Services within 30
125 days after notification of the denial or revocation. The
126 Department of Management Services has up to 90 days to review the
127 circumstances that led to the denial or revocation and notify the
128 appealing business of its determination. A business appealing
129 under this paragraph does not waive its rights under chapter 120,
130 Florida Statutes.

131 (6) DUTIES OF THE DEPARTMENT OF VETERANS' AFFAIRS.--The
132 department shall:

133 (a) Assist the Department of Management Services in
134 establishing a certification application procedure, which shall
135 be reviewed and updated biennially.

136 (b) Identify eligible service-disabled veteran business
137 enterprises by any electronic means, including electronic mail,
138 Internet website, or, subject to an appropriation, by any other
139 reasonable means.

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

143 (d) Provide information regarding services that are
144 available from the Office of Veterans' Business Outreach of the
145 Florida Small Business Development Center to service-disabled

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146 veteran business enterprises.

147 (e) Subject to an appropriation, contract with a private
148 entity to carry out any of the duties specified under this
149 subsection.

150 (7) DUTIES OF THE DEPARTMENT OF MANAGEMENT SERVICES.--The
151 department shall:

152 (a) With assistance from the Department of Veterans'
153 Affairs, establish a certification application procedure, which
154 shall be reviewed and updated biennially.

155 (b) Grant or reject certification by a business applying
156 under this section.

157 (c) Maintain an electronic directory of certified service-
158 disabled veteran business enterprises for use by the state,
159 political subdivisions of the state, and the public.

160 (8) REPORT.--The Florida Small Business Development Center
161 shall include in its report under s. 288.705, Florida Statutes,
162 the percentage of businesses using the statewide contracts
163 register which are certified service-disabled veteran business
164 enterprises.

165 (9) RULES.--The Department of Veterans' Affairs and
166 Department of Management Services, as appropriate, may adopt
167 rules as necessary to administer this section.

168 Section 2. Section 288.705, Florida Statutes is amended to
169 read:

170 288.705 Statewide contracts register.--All state agencies
171 shall in a timely manner provide the Florida Small Business
172 Development Center Procurement System with all formal
173 solicitations for contractual services, supplies, and
174 commodities. The Small Business Development Center shall

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175 | coordinate with Minority Business Development Centers to compile
176 | and distribute this ~~such~~ information to ~~Florida~~ small and
177 | minority businesses requesting such service for the period of
178 | time necessary to familiarize the business with the market
179 | represented by state agencies. On or before February 1 of each
180 | year, the Small Business Development Center shall report to the
181 | Agency for Workforce Innovation ~~Department of Labor and~~
182 | ~~Employment Security~~ on the use ~~utilization~~ of the statewide
183 | contracts register. The ~~Such~~ report shall include, but not be
184 | limited to, information relating to:

185 | (1) The total number of solicitations received from state
186 | agencies during the calendar year.

187 | (2) The number of solicitations received from each state
188 | agency during the calendar year.

189 | (3) The method of distributing solicitation information to
190 | ~~those~~ businesses requesting such service.

191 | (4) The total number of businesses using the service.

192 | (5) The percentage of businesses using the service which
193 | are owned and controlled by minorities.

194 | (6) The percentage of service-disabled veteran business
195 | enterprises using the service.

196 | Section 3. Subsection (2) of section 288.7015, Florida
197 | Statutes, is amended to read:

198 | 288.7015 Appointment of rules ombudsman; duties.--The
199 | Governor shall appoint a rules ombudsman, as defined in s.
200 | 288.703, in the Executive Office of the Governor, for considering
201 | the impact of agency rules on the state's citizens and
202 | businesses. In carrying out duties as provided by law, the
203 | ombudsman shall consult with Enterprise Florida, Inc., at which

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204 | point the office may recommend to improve the regulatory
205 | environment of this state. The duties of the rules ombudsman are
206 | to:

207 | (2) Review state agency rules that adversely or
208 | disproportionately affect ~~impact~~ businesses, particularly those
209 | relating to small and minority businesses and service-disabled
210 | veteran business enterprises.

211 | Section 4. This act shall take effect November 11, 2008.