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CS/HB 687

2008 Legislature

1 A bill to be entitled
 2 An act relating to service-disabled veteran business
 3 enterprises; creating the Florida Service-Disabled Veteran
 4 Business Enterprise Opportunity Act; providing legislative
 5 intent; providing definitions; providing a selection
 6 preference in state contracting for certified service-
 7 disabled veteran business enterprises; providing a
 8 certification procedure to be established by the
 9 Department of Management Services and the Department of
 10 Veterans' Affairs and reviewed biennially and updated as
 11 necessary; providing requirements for application for,
 12 renewal of, and revocation of certification; providing
 13 duties of the departments; providing for data reporting by
 14 the Florida Small Business Development Center; authorizing
 15 the departments to adopt rules; amending s. 288.705, F.S.;
 16 requiring the center to report the percentage of service-
 17 disabled veteran business enterprises using the statewide
 18 contracts register; providing an 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) SHORT TITLE.--This section may be cited as the
 25 "Florida Service-Disabled Veteran Business Enterprise
 26 Opportunity Act."

27 (2) INTENT.--It is the intent of the Legislature to
 28 rectify the economic disadvantage of service-disabled veterans,

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

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

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

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

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

48 1. Employs 200 or fewer permanent full-time employees;
 49 2. Together with its affiliates has a net worth of \$5
 50 million or less or, if a sole proprietorship, has a net worth of
 51 \$5 million or less including both personal and business
 52 investments;

53 3. Is organized to engage in commercial transactions;

54 4. Is domiciled in this state;

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

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

61 (4) VENDOR PREFERENCE.--

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

69 (b) Notwithstanding s. 287.057(12), Florida Statutes, if a
70 service-disabled veteran business enterprise entitled to the
71 vendor preference under this section and one or more businesses
72 entitled to this preference or another vendor preference
73 provided by law submit bids, proposals, or replies for
74 procurement of commodities or contractual services that are
75 equal with respect to all relevant considerations, including
76 price, quality, and service, then the state agency shall award
77 the procurement or contract to the business having the smallest
78 net worth.

79 (c) Political subdivisions of the state are encouraged to
80 offer a similar consideration to businesses certified under this
81 section.

82 (5) CERTIFICATION PROCEDURE.--

83 (a) The application for certification as a service-
84 disabled veteran business enterprise must, at a minimum,

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85 include:

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

89 2. The names of all owners of the business enterprise,
90 including owners who are service-disabled veterans and owners
91 who are not service-disabled veterans, and the percentage of
92 ownership interest held by each owner.

93 3. The name of all persons involved in both the management
94 and daily operations of the business, including the spouse or
95 permanent caregiver of a veteran with a permanent and total
96 disability.

97 4. The service-connected disability rating of all persons
98 listed under subparagraphs 1., 2., and 3., as applicable, with
99 supporting documentation from the United States Department of
100 Veterans Affairs or the United States Department of Defense.

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

102 6. The location of the business headquarters.

103 7. The total net worth of the business enterprise and its
104 affiliates. In the case of a sole proprietorship, the net worth
105 includes personal and business investments.

106 (b) To maintain certification, a service-disabled veteran
107 business enterprise shall renew its certification biennially.

108 (c) The provisions of chapter 120 relating to application,
109 denial, and revocation procedures shall apply to certifications
110 under this section.

111 (d) A certified service-disabled veteran business
112 enterprise must notify the Department of Management Services

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

117 (e) The certification of a service-disabled veteran
118 business enterprise shall be revoked for 12 months if the
119 Department of Management Services determines that the business
120 enterprise violated paragraph (d). An owner of a certified
121 service-disabled veteran business enterprise whose certification
122 is revoked is not permitted to reapply for certification under
123 this section as an owner of any business enterprise during the
124 12-month revocation period.

125 1. During the 12-month revocation period, a service-
126 disabled veteran business enterprise whose certification has
127 been revoked may bid on state contracts but is not eligible for
128 any preference available under this section.

129 2. A service-disabled veteran business enterprise whose
130 certification has been revoked may apply for certification at
131 the conclusion of the 12-month revocation period by complying
132 with requirements applicable to initial certifications.

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

135 (a) Assist the Department of Management Services in
136 establishing a certification procedure, which shall be reviewed
137 biennially and updated as necessary.

138 (b) Identify eligible service-disabled veteran business
139 enterprises by any electronic means, including electronic mail
140 or Internet website, or by any other reasonable means.

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

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

148 (7) DUTIES OF THE DEPARTMENT OF MANAGEMENT SERVICES.--The
149 department shall:

150 (a) With assistance from the Department of Veterans'
151 Affairs, establish a certification procedure, which shall be
152 reviewed biennially and updated as necessary.

153 (b) Grant, deny, or revoke the certification of a service-
154 disabled veteran business enterprise under this section.

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

158 (8) REPORT.--The Small Business Development Center shall
159 include in its report required by s. 288.705, Florida Statutes,
160 the percentage of certified service-disabled veteran business
161 enterprises using the statewide contracts register.

162 (9) RULES.--The Department of Veterans' Affairs and the
163 Department of Management Services, as appropriate, may adopt
164 rules as necessary to administer this section.

165 Section 2. Section 288.705, Florida Statutes, is amended
166 to read:

167 288.705 Statewide contracts register.--All state agencies
168 shall in a timely manner provide the Florida Small Business

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

182 (1) The total number of solicitations received from state
 183 agencies during the calendar year.

184 (2) The number of solicitations received from each state
 185 agency during the calendar year.

186 (3) The method of distributing solicitation information to
 187 ~~these~~ businesses requesting such service.

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

189 (5) The percentage of businesses using the service which
 190 are owned and controlled by minorities.

191 (6) The percentage of service-disabled veteran business
 192 enterprises using the service.

193 Section 3. This act shall take effect November 11, 2008.