



**Department of General Services  
Procurement Division**

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**Broadcast Date: April 4, 2007**

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**TO: Agency Secretaries and Department Directors  
Certified Small Business and DVBE Businesses  
Procurement and Contracting Officers (PCOs)  
Purchasing Authority Contacts (PACs)  
Small Business and Disabled Veteran Business Enterprise Advocates  
State Contracting Advisory Network (SCAN)**

**CC: Small Business Advisory Council Members  
DVBE Advisory Council**

**RE: Proposed Regulation to Create the DVBE Incentive Program**

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**TITLE 2.  
DEPARTMENT OF GENERAL SERVICES  
  
NOTICE OF PROPOSED RULEMAKING**

The Department of General Services (DGS) plans to adopt the proposed regulations described as referenced after considering all comments, objections, and recommendations regarding this proposed action.

**PROPOSED REGULATORY ACTION**

The DGS proposes to adopt the California Code of Regulations, title 2, division 2, chapter 3, subchapter 10.6. Subchapter 10.6 creates the DVBE incentive program.

The notice is published in the Notice Register. The rulemaking file at this date consists of the notice, the proposed text of the regulations, the initial statement of reasons, and the reports titled:

- "Disabled Veteran Business Enterprise Statewide Statistical Annual Report for Fiscal Year 04-05,"
- "Consolidated Annual Report for the Statewide Disabled Veteran Business Enterprise (DVBE), the Small Business (SB)/ Microbusiness (MB), the Consulting Services and the Ethnicity, Race and Gender (ERG) for Fiscal Year 2005-06" and
- "Disabled Veteran Business Enterprise Program Few Departments That Award Contracts Have Met the Potentially Unreasonable Participation Goal, and Weak Implementation of the Program Further Hampers Success" (California State Auditor Report, July 2002).

For copies of material, see attached and if necessary contact:

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