



**Department of General Services  
Procurement Division**

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**TO: Purchasing Authority Contacts (PACs)  
Procurement and Contracting Officers (PCOs)  
Small Business and Disabled Veteran Business Enterprise Advocates**

**RE: Bills from the 2009 Legislative Session that Impact Procurement Practices**

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This Broadcast Bulletin provides a brief summary of the bills signed by the Governor that impact procurement practices and become law effective January 1, 2010. It is for information purposes only, as the DGS is currently researching how to implement the new statutes. Departments are encouraged to refer to each individual bill for additional information.

**[AB 31 \(Price\)](#) Public contracts: Small Business Procurement and Contract Act  
Status: Chapter 212, Statutes of 2009**

**Summary:** The Small Business Procurement and Contract Act permits a state agency to award a contract for the acquisition of goods, services, or information technology that has an estimated value of greater than five thousand dollars (\$5,000), but less than one hundred thousand dollars (\$100,000), to a certified small business, including a microbusiness, or to a disabled veteran business enterprise (DVBE), as long as the agency obtains price quotations from two or more certified small businesses, including microbusinesses, or from two or more DVBE businesses. This bill increases the maximum amount of the contract to less than \$250,000. For public works projects, the maximum amount is increased to \$250,000. This bill also requires the contractor, upon completion of a public contract for which a commitment to achieve small business or disabled veteran business enterprise participation goals was made, to report to the awarding department the actual percentage of small business and disabled veteran business enterprise participation that was achieved.

**[AB 926 \(Ruskin\)](#) State contracts: goods: loss leader.  
Status: Chapter 490, Statutes of 2009**

**Summary:** Under existing law it is unlawful for any person engaged in business with the State to sell or use any article or product as a "loss leader," as defined. This bill requires a statement of this provision to be specified in a solicitation for a State contract for goods; a request for proposal for a contract for services that involves the furnishing of

equipment, materials, or supplies; and a request for proposal for a state contract for the acquisition of information technology goods and services. This bill requires an awarding agency, on and after March 31, 2010, and until December 31, 2011, to report this error to the Department of General Services if this statement is not contained in a solicitation or request for proposal. This bill provides that this statement shall be deemed to part of a solicitation or request for proposal even if the statement is inadvertently omitted from the solicitation or request for proposal.

**SB 548 (Huff) California Disabled Veteran Business Enterprise Program.**

**Status:** Chapter 595, Statutes of 2009

**Summary:** This bill requires an awarding department, upon completion of an awarded contract for which a commitment to achieve a disabled veteran business enterprise (DVBE) goal was made, to require the prime contractor that entered into a subcontract with a DVBE to certify to the awarding department certain information pertaining to the contract, and that all payments under the contract have been made to the DVBE. This bill also requires an awarding department to keep that certification on file. This bill specifies that a person or entity that knowingly provides false information is subject to a civil penalty, as specified, and that an action for a civil penalty may be brought by any public prosecutor in the name of the People of the State of California. The bill authorizes a prime contractor, subject to the approval of the Department of General Services, to replace a DVBE identified by the prime contractor in its bid or offer, as provided, with another DVBE.

Comments or questions regarding this broadcast should be directed to the following:

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