



**Department of General Services
Procurement Division**

707 Third Street, Second Floor, West Sacramento, CA 95605
(916) 375-4400 (800) 559-5529

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**TO: Purchasing Authority Contacts (PACs)
Procurement and Contracting Officers (PCOs)
Small Businesses (SB) & Disabled Veteran Business Enterprises
(DVBEs) SB and DVBE Advocates**

RE: SB/DVBE Option Increase – Assembly Bill (AB) 31

This broadcast bulletin announces an increase to the purchasing authority threshold, effective January 1, 2010, for the SB/DVBE Option as required by AB 31, Chapter 212, Statutes of 2009.

The Small Business Procurement and Contract Act previously permitted “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.”

AB 31 increases the maximum amount of the contract to less than two hundred fifty thousand dollars (\$250,000). Government Code § 14838.5 and Public Contract Code § 10105 have been amended to reflect this increase.

Departments with current purchasing authority for the IT and/or Non IT classification type(s) will automatically receive an increase(s) for the SB/DVBE Option in either or both, respectively. For example, if a department currently has purchasing authority approval for both, IT Goods and Services and Non IT Goods and Services, the SB/DVBE Option dollar threshold will automatically increase to \$249,999.99 for IT Goods and Services and Non IT Goods and Services. If a department currently has purchasing authority approval for Non IT Goods and Services only, it will receive an automatic increase to \$249,999.99 for the Non IT Goods and Services classification types only.

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

PAMS@dgs.ca.gov