



Department of General Services

Procurement Division

707 Third Street, Second Floor, West Sacramento, CA 95605

(916) 375-4400 (800) 559-5529

Broadcast Date: June 29, 2018

Bulletin #: E-08-18

**TO: Purchasing Authority Contacts (PACs)
Procurement and Contracting Officers (PCOs)
Disabled Veteran Business Enterprises (DVBES)
Small Businesses
Small Business and DVBE Advocates
State Contracting Advisory Network
Small Business Advisory Council Members
CalVet DVBE Advisory Council Members**

RE: Notice of Proposed Rulemaking affecting Disabled Veteran Business Enterprise Incentive Regulations (including a 45-day public comment period and an August 13, 2018 public hearing date).

The Department of General Services (DGS), Procurement Division, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) propose revisions to the California Code of Regulations (CCR), Title 2, Division 2, Chapter 3, Subchapter 10.6, Disabled Veteran Business Enterprise Incentives, Sections 1896.99.100 – 1896.99.120. These rules are commonly referred to as the DVBE Incentive regulations.

Currently, the agency executive's authority to exempt specific contracts from the DVBE incentive is interpreted as permitted only when participation goals are met for two out of the three most recent fiscal years. However, existing language is commonly misunderstood which results in confusion on the part of both stakeholders as well as awarding departments. These rule revisions are intended to address this concern.

An accompanying Initial Statement of Reasons (ISOR) explains, in detail, the changes proposed and provides reasons why they are being contemplated. The current and proposed DVBE regulation text, Notice of Proposed Rulemaking and the ISOR are available at the web page:

- <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Notice-of-Rulemaking>

To access and/or download any of these documents, click on the appropriate link located at the web address above. Paper copies are also available for review at the OSDS public counter in Suite 1-400 of the Ziggurat Building, 707 Third Street, West Sacramento, California, from 8 a.m. to 5 p.m., weekdays. The office is closed on holidays.

To request a paper copy of the Notice, text and ISOR email to SBDVBEregulations@dgs.ca.gov and specify in the Subject line **“SEND PAPER COPY OF PROPOSED INCENTIVE RULE PACKAGE.”** Please include your name and complete mailing address. You may also contact the OSDS at (916) 375-4589 to make the request.

A 45-day public review period opens on June 29, 2018 at 8:00 a.m. and ends on August 13, 2018 at 5 p.m. Comments on the draft regulations and submissions by interested persons or their authorized representatives will be accepted during this time. The DGS will consider only those comments received during the public review period specified above.

A public hearing will be held on **August 13, 2018 from 9:30 a.m. to 11 a.m.**, at Room 1-475 of the DGS Ziggurat, located at 707 Third Street, 1st Floor, West Sacramento, California, 95605. This room is wheelchair accessible. At this hearing, any person attending may present statements or arguments orally or in writing relevant to the proposed action. DGS requests, but does not require, that persons who offer oral comments at the hearing also submit a written copy of their testimony at the hearing.

You may submit comments and/or questions to:

DGS – Procurement Division
Office of Small Business & DVBE Services
Attention: Regulations Coordinator
707 Third Street, 1st Floor, Room 1-400
West Sacramento, CA 95605
Fax: (916) 375-4950
SBDVBEregulations@dgs.ca.gov

If you have questions regarding this notification, please contact:

OSDS Regulations Coordinator
Ellery Kuhn
(916) 375-4589
Ellery.Kuhn@dgs.ca.gov

Americans with Disabilities Act (ADA): Persons with disabilities requiring reasonable accommodation to participate in this event, please contact:

Ellery Kuhn
(916) 375-4589
Ellery.Kuhn@dgs.ca.gov

Additional ADA information regarding reasonable accommodation is available at:

- <https://www.dgs.ca.gov/OHR/Resources/Page-Content/Office-of-Human-Resources/Resources-List-Folder/Disability---Accommodation-Programs/Reasonable-Accommodation>