
HOUSE BILL 2210

State of Washington

60th Legislature

2007 Regular Session

By Representatives Skinner, Campbell, Haler, Ahern, Warnick, Hailey, Bailey, Dunn and Pearson

Read first time 02/13/2007. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to state contracts with veteran-owned businesses;
2 amending RCW 43.60A.010, 43.19.536, 39.80.040, and 47.28.030; adding
3 new sections to chapter 43.60A RCW; adding a new section to chapter
4 43.19 RCW; adding a new section to chapter 28B.10 RCW; adding a new
5 section to chapter 39.04 RCW; adding a new section to chapter 39.29
6 RCW; and creating new sections.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** The legislature recognizes the unique
9 sacrifices made by veterans and the substantial challenges that
10 returning veterans face after a period of military duty away from home.
11 The legislature further recognizes that veterans who own private
12 businesses may face particular hardships as a direct result of their
13 military service. The purpose of this act is to mitigate economic
14 damage to veteran-owned businesses as a result of military service, and
15 to provide opportunities to them in recognition of the outstanding
16 service they have given to their country.

17 **Sec. 2.** RCW 43.60A.010 and 2006 c 343 s 2 are each amended to read
18 as follows:

1 As used in this chapter the following words and phrases shall have
2 the following meanings unless the context clearly requires otherwise:

3 (1) "Department" means the department of veterans affairs.

4 (2) "Director" means the director of the department of veterans
5 affairs.

6 (3) "Committee" means the veterans affairs advisory committee.

7 (4) "Board" means the veterans innovations program board.

8 (5) "Goals" means overall agency goals, expressed as a percentage
9 of dollar volume, for participation by veteran-owned businesses.

10 (6) "Goods and services" includes professional services and all
11 other goods and services.

12 (7) "Procurement" means the purchase, lease, or rental of any goods
13 or services.

14 (8) "Public works" means all work, construction, highway and ferry
15 construction, alteration, repair, or improvement other than ordinary
16 maintenance, which a state agency or educational institution is
17 authorized or required by law to undertake.

18 (9) "State agency" includes the state of Washington and all
19 agencies, departments, offices, divisions, boards, commissions, and
20 correctional and other types of institutions.

21 (10) "Veteran-owned business" means a business that is certified by
22 the department to be at least fifty-one percent owned and controlled
23 by:

24 (a) A veteran as defined in RCW 41.04.007; or

25 (b) An active or reserve member in any branch of the armed forces
26 of the United States, including the national guard, coast guard, and
27 armed forces reserves.

28 NEW SECTION. Sec. 3. A new section is added to chapter 43.60A RCW
29 to read as follows:

30 (1) The department shall report to the legislature by December 1,
31 2009, and December 1st of each odd-numbered year thereafter outlining
32 the progress made in implementing this act.

33 (2) The department shall develop a procedure for certifying
34 veteran-owned businesses and maintain a list of veteran-owned
35 businesses on the department's public web site.

36 (3) The department shall adopt rules necessary to implement this

1 act. The rules shall include instructions to agencies regarding what
2 specific information they must report to the department.

3 (4) The department shall collaborate with and may assist agencies
4 in implementing outreach to veteran-owned businesses.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.60A RCW
6 to read as follows:

7 (1) State agencies shall award five percent of all procurement
8 contracts that are exempt from competitive bidding requirements under
9 RCW 43.19.1906(2) to veteran-owned businesses certified by the
10 department under section 3 of this act. State agencies are exempt from
11 this requirement if the services are not available from a veteran-owned
12 business listed on the department's public web site.

13 (2) State agencies shall:

14 (a) Perform outreach to veteran-owned businesses in collaboration
15 with the department to increase opportunities for veteran-owned
16 businesses to sell goods and services to the state;

17 (b) Keep a record of all contracts awarded to veteran-owned
18 businesses as required by the department; and

19 (c) Report by December 1, 2009, and December 1st of each odd-
20 numbered year thereafter to the department on the progress made in
21 implementing this section as directed by the department.

22 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.19 RCW
23 to read as follows:

24 The department of general administration shall identify in the
25 department's vendor registry all vendors that are veteran-owned
26 businesses as certified by the department of veterans affairs under
27 section 3 of this act.

28 **Sec. 6.** RCW 43.19.536 and 1983 c 120 s 13 are each amended to read
29 as follows:

30 (1) All contracts entered into and purchases made, including
31 leasing or renting, under this chapter on or after September 1, 1983,
32 are subject to the requirements established under chapter 39.19 RCW.

33 (2) All contracts entered into and purchases made, including
34 leasing or renting, under this chapter on or after the effective date

1 of this act, are subject to the requirements established under sections
2 3 and 4 of this act.

3 NEW SECTION. **Sec. 7.** A new section is added to chapter 28B.10 RCW
4 to read as follows:

5 All contracts entered into and purchases made, including leasing or
6 renting, under this chapter on or after the effective date of this act,
7 are subject to the requirements established under sections 3 and 4 of
8 this act.

9 NEW SECTION. **Sec. 8.** A new section is added to chapter 39.04 RCW
10 to read as follows:

11 All contracts entered into and purchases made, including leasing or
12 renting, under this chapter on or after the effective date of this act,
13 are subject to the requirements established under sections 3 and 4 of
14 this act.

15 NEW SECTION. **Sec. 9.** A new section is added to chapter 39.29 RCW
16 to read as follows:

17 All contracts entered into and purchases made, including leasing or
18 renting, under this chapter on or after the effective date of this act,
19 are subject to the requirements established under sections 3 and 4 of
20 this act.

21 **Sec. 10.** RCW 39.80.040 and 1981 c 61 s 4 are each amended to read
22 as follows:

23 In the procurement of architectural and engineering services, the
24 agency shall encourage firms engaged in the lawful practice of their
25 profession to submit annually a statement of qualifications and
26 performance data. The agency shall evaluate current statements of
27 qualifications and performance data on file with the agency, together
28 with those that may be submitted by other firms regarding the proposed
29 project, and shall conduct discussions with one or more firms regarding
30 anticipated concepts and the relative utility of alternative methods of
31 approach for furnishing the required services and then shall select
32 therefrom, based upon criteria established by the agency, the firm
33 deemed to be the most highly qualified to provide the services required
34 for the proposed project. Such agency procedures and guidelines shall

1 include a plan to insure that minority and women-owned firms and
2 veteran-owned firms are afforded the maximum practicable opportunity to
3 compete for and obtain public contracts for services. The level of
4 participation by minority and women-owned firms and veteran-owned firms
5 shall be consistent with their general availability within the
6 professional communities involved.

7 **Sec. 11.** RCW 47.28.030 and 1999 c 15 s 1 are each amended to read
8 as follows:

9 A state highway shall be constructed, altered, repaired, or
10 improved, and improvements located on property acquired for right of
11 way purposes may be repaired or renovated pending the use of such right
12 of way for highway purposes, by contract or state forces. The work or
13 portions thereof may be done by state forces when the estimated costs
14 thereof (~~(is [are])~~) are less than fifty thousand dollars and effective
15 July 1, 2005, sixty thousand dollars: PROVIDED, That when delay of
16 performance of such work would jeopardize a state highway or constitute
17 a danger to the traveling public, the work may be done by state forces
18 when the estimated cost thereof is less than eighty thousand dollars
19 and effective July 1, 2005, one hundred thousand dollars. When the
20 department of transportation determines to do the work by state forces,
21 it shall enter a statement upon its records to that effect, stating the
22 reasons therefor. To enable a larger number of small businesses(~~(7)~~)
23 and veteran, minority, and women contractors to effectively compete for
24 department of transportation contracts, the department may adopt rules
25 providing for bids and award of contracts for the performance of work,
26 or furnishing equipment, materials, supplies, or operating services
27 whenever any work is to be performed and the engineer's estimate
28 indicates the cost of the work would not exceed eighty thousand dollars
29 and effective July 1, 2005, one hundred thousand dollars. The rules
30 adopted under this section:

31 (1) Shall provide for competitive bids to the extent that
32 competitive sources are available except when delay of performance
33 would jeopardize life or property or inconvenience the traveling
34 public; and

35 (2) Need not require the furnishing of a bid deposit nor a
36 performance bond, but if a performance bond is not required then
37 progress payments to the contractor may be required to be made based on

1 submittal of paid invoices to substantiate proof that disbursements
2 have been made to laborers, materialmen, mechanics, and subcontractors
3 from the previous partial payment; and

4 (3) May establish prequalification standards and procedures as an
5 alternative to those set forth in RCW 47.28.070, but the
6 prequalification standards and procedures under RCW 47.28.070 shall
7 always be sufficient.

8 The department of transportation shall comply with such goals and
9 rules as may be adopted by the office of minority and women's business
10 enterprises to implement chapter 39.19 RCW with respect to contracts
11 entered into under this chapter. The department may adopt such rules
12 as may be necessary to comply with the rules adopted by the office of
13 minority and women's business enterprises under chapter 39.19 RCW.

14 NEW SECTION. **Sec. 12.** This act is not intended to create a cause
15 of action or entitlement in an individual or class of individuals.

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