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SECOND SUBSTITUTE HOUSE BILL 1909

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State of Washington

63rd Legislature

2013 Regular Session

By House Appropriations (originally sponsored by Representatives Hunt, O'Ban, Morrell, Hayes, and Bergquist; by request of Governor Inslee)

READ FIRST TIME 03/01/13.

1 AN ACT Relating to veteran-owned businesses; amending RCW  
2 43.60A.190, 43.60A.195, and 43.60A.200; and reenacting and amending RCW  
3 43.60A.010.

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

5 **Sec. 1.** RCW 43.60A.010 and 2010 1st sp.s. c 7 s 117 and 2010 c 5  
6 s 2 are each reenacted and amended to read as follows:

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

9 (1) "Committee" means the veterans affairs advisory committee.

10 (2) "Department" means the department of veterans affairs.

11 (3) "Director" means the director of the department of veterans  
12 affairs.

13 (4) "Goods and services" includes professional services and all  
14 other goods and services.

15 (5) "Procurement" means the purchase, lease, or rental of any goods  
16 or services.

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

1 (7) "Veteran-owned business" means a business that is certified by  
2 the department (~~(to be at least fifty-one percent owned and controlled~~  
3 ~~by:~~

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

5 ~~(b) An active or reserve member in any branch of the armed forces~~  
6 ~~of the United States, including the national guard, coast guard, and~~  
7 ~~armed forces reserves)) under RCW 43.60A.190.~~

8 **Sec. 2.** RCW 43.60A.190 and 2008 c 187 s 1 are each amended to read  
9 as follows:

10 (1) The department shall:

11 (a) Develop and maintain a current list of veteran-owned  
12 businesses; and

13 (b) Make the list available on the department's public web site.

14 (2) To qualify as a veteran-owned business, the (~~(business must be~~  
15 ~~at least fifty-one percent owned and controlled by)) department must~~

16 certify that:

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

18 ~~(b) An active or reserve member in any branch of the armed forces~~  
19 ~~of the United States, including the national guard, coast guard, and~~  
20 ~~armed forces reserves.)) The business is at least fifty-one percent  
21 owned and controlled:~~

22 (i) By a veteran as defined in this section; or

23 (ii) Jointly by a veteran and his or her spouse or domestic partner  
24 if the veteran is involved in the day-to-day business operations; and

25 (b) The state of Washington is where:

26 (i) The principal office of the business is located;

27 (ii) The veteran owner is a resident; or

28 (iii) All corporate officers are residents if the business is a  
29 corporation.

30 (3) To participate in the linked deposit program under chapter  
31 43.86A RCW, a veteran-owned business qualified under this section must  
32 be certified by the department as a business:

33 (a) In which the veteran owner possesses and exercises sufficient  
34 expertise specifically in the business's field of operation to make  
35 decisions governing the long-term direction and the day-to-day  
36 operations of the business;

1 (b) That is organized for profit and performing a commercially  
2 useful function; and

3 (c) That meets the criteria for a small business concern as  
4 established under chapter 39.19 RCW.

5 (4) The department shall create a logo for the purpose of  
6 identifying veteran-owned businesses to the public. The department  
7 shall put the logo on an adhesive sticker or decal suitable for display  
8 in a business window and distribute the stickers or decals to veteran-  
9 owned businesses listed with the department.

10 (5)(a) Businesses may submit an application on a form prescribed by  
11 the department for inclusion on the list or to apply for certification  
12 under this section.

13 (b) The department must notify the state treasurer of veteran-owned  
14 businesses that are no longer certified under this section. The  
15 written notification to the state treasurer must contain information  
16 regarding the reasons for the decertification and information on  
17 financing provided to the veteran-owned business under RCW 43.86A.060.

18 (6) The department may adopt rules necessary to implement this  
19 section.

20 (7) For purposes of this section, "veteran" means:

21 (a) A person who meets the definition in RCW 41.04.007; or

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

25 **Sec. 3.** RCW 43.60A.195 and 2010 c 5 s 3 are each amended to read  
26 as follows:

27 (1) The department shall develop a procedure for certifying  
28 veteran-owned businesses and maintain a list of veteran-owned  
29 businesses (~~(on the department's public web site)~~) to be accessible for  
30 all state agencies and educational institutions. The department shall  
31 work with the department of enterprise services to provide access to a  
32 centralized list of certified veteran-owned businesses.

33 (2) The department shall adopt rules necessary to implement chapter  
34 5, Laws of 2010. The department shall consult agencies to determine  
35 what specific information they must report to the department.

36 (3) The department (~~(shall collaborate with and may assist agencies~~  
37 ~~in implementing outreach to veteran-owned businesses)) and the~~

1 department of enterprise services shall work together to develop a  
2 comprehensive plan insuring that certified veteran-owned businesses are  
3 provided an opportunity to participate in public contracts for public  
4 works and goods and services.

5 **Sec. 4.** RCW 43.60A.200 and 2010 c 5 s 4 are each amended to read  
6 as follows:

7 (1) State agencies are encouraged to award (~~three~~) five percent  
8 of all procurement contracts (~~that are exempt from competitive bidding~~  
9 ~~requirements under RCW 43.19.1906(2)~~) under chapters 39.04, 39.26,  
10 39.80, and 47.28 RCW to veteran-owned businesses certified by the  
11 department under RCW 43.60A.195.

12 (2) State agencies shall:

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

16 (b) (~~Work to match~~) Provide agency (~~procurement~~) contracting  
17 records with the department's database of certified veteran-owned  
18 businesses to establish how many procurement contracts are being  
19 awarded to those businesses.

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