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SENATE BILL 5834

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State of Washington

63rd Legislature

2013 Regular Session

By Senators Roach, Holmquist Newbry, Conway, and McAuliffe; by request of Governor Inslee

Read first time 02/21/13. Referred to Committee on Governmental Operations.

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) An owner or officers, if a corporation, that are residents of  
5 the state of Washington;

6 (b) A business in which the principal office is in the state of  
7 Washington;

8 (c) A veteran-owned business that is jointly owned by spouses or  
9 domestic partners may qualify if the veteran is involved in day-to-day  
10 business operations;

11 (d) A veteran as defined in RCW 41.04.007; or

12 ((+b+)) (e) An active or reserve member in any branch of the armed  
13 forces of the United States, including the national guard, coast guard,  
14 and armed forces reserves.

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

17 (1) The department shall:

18 (a) Develop and maintain a current list of veteran-owned  
19 businesses; and

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

21 (2) To qualify as a veteran-owned business, the business must be at  
22 least fifty-one percent owned and controlled by:

23 (a) An owner or officers, if a corporation, that are residents of  
24 the state of Washington;

25 (b) A business in which the principal office is in the state of  
26 Washington;

27 (c) A veteran-owned business that is jointly owned by spouses or  
28 domestic partners may qualify if the veteran is involved in day-to-day  
29 business operations;

30 (d) A veteran as defined in RCW 41.04.007; or

31 ((+b+)) (e) An active or reserve member in any branch of the armed  
32 forces of the United States, including the national guard, coast guard,  
33 and armed forces reserves.

34 (3) To participate in the linked deposit program under chapter  
35 43.86A RCW, a veteran-owned business qualified under this section must  
36 be certified by the department as a business:

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

5 (b) That is organized for profit and performing a commercially  
6 useful function; and

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

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

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

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

22 (6) The department may adopt rules necessary to implement this  
23 section.

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

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

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

35 (3) The department (~~(shall collaborate with and may assist agencies~~  
36 ~~in implementing outreach to veteran-owned businesses)) and the  
37 department of enterprise services shall work together to develop a~~

1 comprehensive plan insuring that certified veteran-owned businesses are  
2 provided an opportunity to participate in public contracts for public  
3 works and goods and services.

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

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

11 (2) State agencies shall:

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

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

19 (3) Beginning January 1, 2014, the department shall report annually  
20 on all state agencies and educational institutions contracting with  
21 veteran-owned businesses.

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