
SENATE BILL 6034

State of Washington

64th Legislature

2015 Regular Session

By Senators Roach, Llias, Benton, and Conway

Read first time 02/18/15. Referred to Committee on Government Operations & Security.

1 AN ACT Relating to increasing visibility of and public
2 contracting opportunities for veteran-owned businesses; amending RCW
3 39.26.090 and 43.60A.200; and adding new sections to chapter 39.26
4 RCW.

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

6 **Sec. 1.** RCW 39.26.090 and 2012 c 224 s 10 are each amended to
7 read as follows:

8 The director shall:

9 (1) Establish overall state policies, standards, and procedures
10 regarding the procurement of goods and services by all state
11 agencies;

12 (2) Develop policies and standards for the use of credit cards or
13 similar methods to make purchases;

14 (3) Establish procurement processes for information technology
15 goods and services, using technology standards and policies
16 established by the office of the chief information officer under
17 chapter 43.41A RCW;

18 (4) Enter into contracts or delegate the authority to enter into
19 contracts on behalf of the state to facilitate the purchase, lease,
20 rent, or otherwise acquire all goods and services and equipment

1 needed for the support, maintenance, and use of all state agencies,
2 except as provided in RCW 39.26.100;

3 (5) Have authority to delegate to agencies authorization to
4 purchase goods and services. The authorization must specify
5 restrictions as to dollar amount or to specific types of goods and
6 services, based on a risk assessment process developed by the
7 department. Acceptance of the purchasing authorization by an agency
8 does not relieve the agency from conformance with this chapter or
9 from policies established by the director. Also, the director may not
10 delegate to a state agency the authorization to purchase goods and
11 services if the agency is not in substantial compliance with overall
12 procurement policies as established by the director;

13 (6) Develop procurement policies and procedures, such as
14 unbundled contracting and subcontracting, that encourage and
15 facilitate the purchase of goods and services from Washington small
16 businesses, microbusinesses, and minibusinesses, veteran-owned
17 businesses, and minority and women-owned businesses to the maximum
18 extent practicable and consistent with international trade agreement
19 commitments;

20 (7) Develop and implement an enterprise system for electronic
21 procurement;

22 (8) Provide for a commodity classification system and provide for
23 the adoption of goods and services commodity standards;

24 (9) Establish overall state policy for compliance by all agencies
25 regarding:

26 (a) Food procurement procedures and materials that encourage and
27 facilitate the purchase of Washington grown food by state agencies
28 and institutions to the maximum extent practicable and consistent
29 with international trade agreement commitments; and

30 (b) Policies requiring all food contracts to include a plan to
31 maximize to the extent practicable and consistent with international
32 trade agreement commitments the availability of Washington grown food
33 purchased through the contract;

34 (10) Develop guidelines and criteria for the purchase of
35 vehicles, high gas mileage vehicles, and alternate vehicle fuels and
36 systems, equipment, and materials, that reduce overall energy-related
37 costs and energy use by the state, including investigations into all
38 opportunities to aggregate the purchasing of clean technologies by
39 state and local governments, and including the requirement that new
40 passenger vehicles purchased by the state meet the minimum standards

1 for passenger automobile fuel economy established by the United
2 States secretary of transportation pursuant to the energy policy and
3 conservation act (15 U.S.C. Sec. 2002); and

4 (11) Develop and enact rules to implement the provisions of this
5 chapter.

6 **Sec. 2.** RCW 43.60A.200 and 2010 c 5 s 4 are each amended to read
7 as follows:

8 (1) State agencies (~~((are encouraged to))~~) must award three percent
9 of all procurement contracts (~~((that are exempt from competitive~~
10 ~~bidding requirements under RCW 43.19.1906(2))~~) and any subcontracts
11 awarded therein under chapters 39.04, 39.26, 39.80, and 47.28 RCW to
12 veteran-owned businesses certified by the department under RCW
13 43.60A.195.

14 (2) State agencies shall:

15 (a) Perform outreach to veteran-owned businesses in collaboration
16 with the department to (~~((increase opportunities))~~) achieve the mandate
17 for veteran-owned businesses to sell goods and services to the state
18 under subsection (1) of this section; (~~and~~)

19 (b) (~~Work to match~~) Provide agency (~~((procurement))~~) contracting
20 records with the department's database of certified veteran-owned
21 businesses to establish how many procurement contracts are being
22 awarded to those businesses; and

23 (c) Follow the process established by the director of the
24 department of enterprise services under section 3 of this act
25 relating to the award of procurement contracts under chapters 39.04,
26 39.26, 39.80, and 47.28 RCW.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 39.26
28 RCW to read as follows:

29 (1) The director shall establish a process to facilitate the
30 maximum participation of veteran-owned businesses in procurement
31 contracts under this chapter and chapters 39.04, 39.80, and 47.28
32 RCW. Such process must provide that, for each procurement contract
33 awarded under this chapter and chapters 39.04, 39.80, and 47.28 RCW,
34 agencies provide:

35 (a) Specific identification of the benefits or drawbacks to
36 veteran-owned business participation in the procurement, including:

37 (i) Cost savings;

38 (ii) Quality improvements;

1 (iii) Reduction in acquisition cycle times;
2 (iv) Improved terms and conditions; and
3 (v) Any other benefits or drawbacks as identified by the director
4 or the agency;

5 (b) An assessment of any specific impediments to participation by
6 veteran-owned businesses in the procurement; and

7 (c) If the procurement contract is not awarded to a veteran-owned
8 business, a specific determination of the anticipated benefits of not
9 awarding the procurement contract to a veteran-owned business.

10 (2)(a) At the end of each fiscal year, each agency must submit a
11 report to the director describing:

12 (i) The extent of the participation by veteran-owned businesses
13 certified by the department during the fiscal year;

14 (ii) Whether the agency achieved the mandate in RCW 43.60A.200(1)
15 for awarding procurement contracts under this chapter and chapters
16 39.04, 39.80, and 47.28 RCW to veteran-owned businesses with respect
17 to the fiscal year;

18 (iii) Any justifications for a failure to achieve the mandate in
19 RCW 43.60A.200(1) for awarding procurement contracts under this
20 chapter and chapters 39.04, 39.80, and 47.28 RCW to veteran-owned
21 businesses with respect to the fiscal year; and

22 (iv) A remediation plan with proposed new practices to achieve
23 the mandate in RCW 43.60A.200(1) for awarding procurement contracts
24 under this chapter and chapters 39.04, 39.80, and 47.28 RCW to
25 veteran-owned businesses, including analysis of factors leading to
26 any failure to achieve the mandate.

27 (b) No later than sixty days after receiving a report from each
28 agency under this subsection, the director shall submit a report to
29 the governor and each house of the legislature that includes a copy
30 of each report submitted under (a) of this subsection and a
31 determination of whether each goal established under subsection (1)
32 of this section was achieved.

33 (3) For purposes of this section, "veteran-owned business" means
34 a veteran-owned business certified by the department of veterans
35 affairs under RCW 43.60A.195.

36 NEW SECTION. **Sec. 4.** A new section is added to chapter 39.26
37 RCW to read as follows:

1 (1) Any publicly viewable web site or database maintained by the
2 department listing businesses for competitive solicitation purposes
3 must include:

4 (a) An application program interface for filtering to veteran-
5 owned businesses certified under chapter 43.60A RCW and minority and
6 women's business enterprises from businesses certified under chapter
7 39.19 RCW; and

8 (b) An application program interface for state agencies to
9 certify that the process established by the director under section 3
10 of this act has been followed.

11 (2) The truthfulness of agency representations under subsection
12 (1)(b) of this section must be audited annually and are subject to
13 the procedures and methods lawfully prescribed by the state auditor.
14 A copy of every such audit must be delivered within thirty days after
15 the completion thereof to the director, the director of veterans
16 affairs, and the governor.

17 (3) The department shall allocate information technology
18 resources for the following purposes:

19 (a) To ensure that a web site or database subject to this section
20 allows agencies to certify that the process established by the
21 director under section 3 of this act has been followed;

22 (b) To ensure tracking awards of contracts to veteran-owned
23 businesses to determine whether the requirements of RCW 43.60A.200(1)
24 are met; and

25 (c) To conduct training for the generation of agency reports as
26 required by section 3 of this act.

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