

**2014-15 NEW YORK STATE EXECUTIVE BUDGET**

**SERVICE-DISABLED VETERAN-OWNED  
BUSINESS ACT**

Legislative Bill Drafting Commission  
12074-01-4

S. -----  
Senate  
-----

IN SENATE--Introduced by Sen

--read twice and ordered printed,  
and when printed to be committed  
to the Committee on

----- A.  
Assembly  
-----

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the  
Committee on

**\*EXECLA\***  
(Enacts the "Service-Disabled Veter-  
an-Owned Business Act")

-----

Exec. Ser. Disabled Vet-Own bus.

AN ACT

to amend the executive law, in  
relation to expanding opportunities  
for service-disabled veteran-owned  
business enterprises

The People of the State of New  
York, represented in Senate and  
Assembly, do enact as follows:

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship  
of this proposal:

s15 Addabbo	s02 Flanagan	s28 Krueger	s55 O'Brien	s51 Seward
s11 Avella	s59 Gallivan	s24 Lanza	s58 O'Mara	s09 Skelos
s40 Ball	s12 Gianaris	s39 Larkin	s21 Parker	s14 Smith
s42 Bonacic	s41 Gipson	s37 Latimer	s13 Peralta	s26 Squadron
s04 Boyle	s22 Golden	s01 LaValle	s30 Perkins	s16 Stavisky
s44 Breslin	s47 Griffo	s52 Libous	s61 Ranzzenhofer	s35 Stewart- Cousins
s38 Carlucci	s60 Grisanti	s45 Little	s48 Ritchie	s46 Tkaczyk
s50 DeFrancisco	s06 Hannon	s05 Marcellino	s33 Rivera	s53 Valesky
s32 Diaz	s36 Hassell- Thompson	s43 Marchione	s56 Robach	s57 Young
s18 Dilan	s07 Martins	s19 Sampson	s57 Young	s03 Zeldin
s31 Espaillat	s27 Hoylman	s62 Maziarz	s10 Sanders	s08
s49 Farley	s63 Kennedy	s25 Montgomery	s23 Savino	s20
s17 Felder	s34 Klein	s54 Nozzolio	s29 Serrano	

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the  
multi-sponsorship of this proposal:

a049 Abbate	a081 Dinowitz	a142 Kearns	a091 Otis	a104 Skartados
a092 Abinanti	a147 DiPietro	a076 Kellner	a132 Palmesano	a099 Skoufis
a084 Arroyo	a115 Duprey	a040 Kim	a002 Palumbo	a022 Solages
a035 Aubry	a004 Englebright	a131 Kolb	a088 Paulin	a114 Stec
a120 Barclay	a109 Fahy	a105 Lalor	a141 Peoples- Stokes	a110 Steck
a106 Barrett	a071 Farrell	a013 Lavine	a058 Perry	a127 Stirpe
a082 Benedetto	a126 Finch	a050 Lentol	a086 Pichardo	a011 Sweeney
a117 Blankenbush	a008 Fitzpatrick	a125 Lifton	a089 Pretlow	a112 Tedisco
a062 Borelli	a124 Friend	a102 Lopez, P.	a073 Quart	a101 Tenney
a055 Boyland	a095 Galef	a123 Lupardo	a019 Ra	a001 Thiele
a026 Braunstein	a137 Gantt	a010 Lupinacci	a012 Raia	a061 Titone
a044 Brennan	a007 Garbarino	a121 Magee	a006 Ramos	a031 Titus
a119 Brindisi	a148 Giglio	a129 Magnarelli	a078 Rivera	a146 Walter
a138 Bronson	a080 Gjonaj	a064 Malliotakis	a128 Roberts	a041 Weinstein
a046 Brook-Krasny	a066 Glick	a030 Markey	a056 Robinson	a020 Weisenberg
a093 Buchwald	a023 Goldfeder	a090 Mayer	a068 Rodriguez	a024 Weprin
a118 Butler	a150 Goodell	a108 McDonald	a072 Rosa	a070 Wright
a103 Cahill	a075 Gottfried	a014 McDonough	a067 Rosenthal	a096 Zebrowski
a043 Camara	a005 Graf	a017 McKeivitt	a025 Rozic	a054
a145 Ceretto	a100 Gunther	a107 McLaughlin	a116 Russell	a059
a033 Clark	a139 Hawley	a038 Miller	a149 Ryan	a060
a047 Colton	a083 Heastie	a052 Millman	a009 Saladino	a077
a032 Cook	a003 Hennessey	a015 Montesano	a111 Santabarbara	a079
a144 Corwin	a028 Hevesi	a136 Morelle	a029 Scarborough	a098
a085 Crespo	a048 Hikind	a057 Mosley	a016 Schimel	a113
a122 Crouch	a018 Hooper	a039 Moya	a140 Schimminger	a134
a021 Curran	a042 Jacobs	a133 Nojay	a087 Sepulveda	a143
a063 Cusick	a097 Jaffee	a037 Nolan	a065 Silver	
a045 Cymbrowitz	a135 Johns	a130 Oaks	a027 Simanowitz	
a053 Davila	a094 Katz	a069 O'Donnell	a036 Simotas	
a034 DenDekker	a074 Kavanagh	a051 Ortiz		

1) Single House Bill (introduced and printed separately in either or  
both houses). Uni-Bill (introduced simultaneously in both houses and printed  
as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2  
signed copies of bill and 4 copies of memorandum in support (single house);  
or 4 signed copies of bill and 8 copies of memorandum  
in support (uni-bill).

1 Section 1. Legislative findings. New York state (the "state") is home  
2 to more than 900,000 veterans, seventy-two percent of whom have served  
3 during periods of conflict. Additionally, the state is home to approxi-  
4 mately 30,000 active duty military personnel as well as 30,000 national  
5 guard and reserve personnel. In honor of their service to and sacrifice  
6 for our nation, New York state declares that it is the public policy of  
7 the state to promote and encourage the continuing economic development  
8 of service-disabled veteran-owned businesses. In the furtherance of  
9 this policy, the state aims to assist service-disabled veterans in play-  
10 ing a greater role in the economy of the state and to provide additional  
11 assistance and support to disabled veterans to better equip them to form  
12 and expand small businesses, thereby enabling them to realize the Ameri-  
13 can dream they fought to protect. To achieve this objective, the legis-  
14 lature finds that it is in the best interest of the economic development  
15 of the state to enact the "Service-Disabled Veteran-Owned Business Act".

16 § 1-a. Short title. This act shall be known and may be cited as the  
17 "Service-Disabled Veteran-Owned Business Act".

18 § 2. The executive law is amended by adding a new article 17-B to read  
19 as follows:

20 ARTICLE 17-B

21 PARTICIPATION BY SERVICE-DISABLED VETERANS WITH RESPECT TO

22 STATE CONTRACTS

23 Section 369-h. Definitions.

24 369-i. Division of service-disabled veterans' business develop-  
25 ment.

26 369-j. Opportunities for certified service-disabled veteran-  
27 owned business enterprises.

28 369-k. Severability.

1 § 369-h. Definitions. As used in this article, the following terms  
2 shall have the following meanings:

3 1. "Certified service-disabled veteran-owned business enterprise"  
4 shall mean a business enterprise, including a sole proprietorship, part-  
5 nership, or corporation that is:

6 (a) at least fifty-one percent owned by one or more service-disabled  
7 veterans;

8 (b) an enterprise in which such service-disabled veteran ownership is  
9 real, substantial, and continuing;

10 (c) an enterprise in which such service-disabled veteran ownership has  
11 and exercises the authority to control independently the day-to-day  
12 business decisions of the enterprise;

13 (d) an enterprise authorized to do business in this state and is inde-  
14 pendently-owned and operated;

15 (e) an enterprise that is a small business pursuant to subdivision  
16 twenty of section three hundred ten of this chapter; and

17 (f) certified by the office of general services.

18 2. "Commissioner" shall mean the commissioner of the office of general  
19 services.

20 3. "Director" shall mean the director of the division of service-disa-  
21 bled veterans' business development.

22 4. "Division" shall mean the division of service-disabled veterans'  
23 business development in the office of general services.

24 5. "Service disabled veteran" shall mean (a) in the case of the mili-  
25 tary, naval, air force, marines, coast guard, army national guard or air  
26 national guard of the armed forces of the United States and/or reserves  
27 thereof, a veteran who received a compensation rating of ten percent or  
28 greater from the United States department of veterans affairs or from

1 the United States department of defense because of a service-connected  
2 disability incurred in the line of duty, and (b) in the case of the New  
3 York guard or the New York naval militia and/or reserves thereof, a  
4 veteran who certifies, pursuant to the rules and regulations promulgated  
5 by the director, to having incurred an injury equivalent to a compen-  
6 sation rating of ten percent or greater from the United States depart-  
7 ment of veterans affairs or from the United States department of defense  
8 because of a service-connected disability incurred in the line of duty.

9 6. "State agency" shall have the same meaning as defined in subdivi-  
10 sion eleven of section three hundred ten of this chapter.

11 7. "Veteran" shall mean a person who served in the United States army,  
12 navy, air force, marines, coast guard, and/or reserves thereof, and/or  
13 in the army national guard, air national guard, New York guard and/or  
14 the New York naval militia.

15 § 369-i. Division of service-disabled veterans' business development.

16 1. The head of the division of service-disabled veterans' business  
17 development shall be the director who shall be appointed by the governor  
18 and hold office at the pleasure of the commissioner.

19 2. The director may appoint such deputies, assistants, and other  
20 employees as may be needed for the performance of the duties prescribed  
21 herein subject to the provisions of the civil service law and the rules  
22 and regulations of the civil service commission. The director may  
23 request and shall receive from any department, division, board, bureau,  
24 executive commission or agency of the state such assistance as may be  
25 necessary to carry out the provisions of this article.

26 3. The director shall have the following powers and duties:

27 (a) Develop, collect, summarize and disseminate information that will  
28 be helpful to persons and organizations throughout the state in under-

1 taking or promoting the establishment and successful operation of a  
2 service-disabled veteran-owned business.

3 (b) Develop and make available to state agencies a directory of certi-  
4 fied service-disabled veteran-owned business enterprises which shall,  
5 wherever practicable, be divided into categories of labor, services,  
6 supplies, equipment, materials and recognized construction trades and  
7 which shall indicate areas or locations of the state where such enter-  
8 prises are available to perform services.

9 (c) Assist state agencies in the development of programs to foster and  
10 promote the use of service-disabled veteran-owned business enterprises  
11 on state contracts.

12 (d) Coordinate the plans, programs and operations of the state govern-  
13 ment which affect or may contribute to the establishment, preservation  
14 and development of service-disabled veteran-owned business enterprises.

15 (e) In conjunction with the commissioner, develop a comprehensive  
16 statewide plan and operational guidelines to promote service-disabled  
17 veteran-owned business enterprises and to assist them in obtaining  
18 opportunities to participate in the procurement of goods and services by  
19 the state, including identification of barriers to service-disabled  
20 veterans' business development and investigation and evaluation of their  
21 impact on achieving the objectives of this article.

22 4. The commissioner shall:

23 (a) Coordinate training of all procurement personnel of state agen-  
24 cies, emphasizing increased sensitivity and responsiveness to the unique  
25 needs and requirements of service-disabled veteran-owned business enter-  
26 prises.

27 (b) Conduct a coordinated review of all existing and proposed state  
28 training and technical assistance activities in direct support of the

1 service-disabled veterans' business development program to assure  
2 consistency with the objectives of this article.

3 (c) Evaluate and assess availability of firms for the purpose of  
4 increasing participation of such firms in state contracting in consulta-  
5 tion with relevant state entities including, but not limited to, the New  
6 York state division of veterans' affairs.

7 (d) Provide advice and technical assistance to promote service-disa-  
8 bled veteran-owned business enterprises' understanding of state procure-  
9 ment laws, practices and procedures to facilitate and increase the  
10 participation of service-disabled veteran-owned business enterprises in  
11 state procurement.

12 (e) Establish regular performance reporting systems regarding imple-  
13 mentation of the programs designed to increase service-disabled veter-  
14 an-owned business participation in procurement contracts by state agen-  
15 cies.

16 § 369-j. Opportunities for certified service-disabled veteran-owned  
17 business enterprises. 1. The director shall promulgate rules and regu-  
18 lations for the following purposes:

19 (a) provide measures and procedures to ensure that certified service-  
20 disabled veteran-owned business enterprises are afforded the opportunity  
21 for meaningful participation in the performance of state contracts and  
22 to assist in state agencies' identification of those state contracts for  
23 which certified service-disabled veteran-owned business enterprises may  
24 best perform;

25 (b) provide for measures and procedures that assist state agencies in  
26 the identification of state contracts where service-disabled veteran  
27 contract goals are practical, feasible and appropriate for the purpose

1 of increasing the utilization of service-disabled veteran-owned business  
2 enterprise participation on state contracts;

3 (c) achieve a statewide goal for participation on state contracts by  
4 service-disabled veteran-owned business enterprises of five percent;

5 (d) provide for the certification and decertification of service-disa-  
6 bled veteran-owned business enterprises for all agencies through a  
7 single process;

8 (e) provide for procedures relating to submission and receipt of  
9 applications by service-disabled veteran-owned business enterprises;

10 (f) provide for the monitoring and compliance of state contracts by  
11 state agencies with respect to the provisions of this article;

12 (g) provide for the requirement that state agencies submit regular  
13 reports, as determined by the director, with respect to their service-  
14 disabled veteran-owned business enterprise program activity, including  
15 but not limited to, utilization reporting and state contract monitoring  
16 and compliance;

17 (h) notwithstanding any provision of the state finance law or the  
18 public authorities law to the contrary, provide for the reservation or  
19 set-aside of certain procurements by state agencies in order to achieve  
20 the objectives of this article; and

21 (i) provide for any other purposes to effectuate this article.

22 2. State agencies shall administer the rules and regulations promul-  
23 gated by the director for the implementation of this article.

24 § 369-k. Severability. If any clause, sentence, paragraph, section or  
25 part of this article shall be adjudged by any court of competent juris-  
26 diction to be invalid, the judgment shall not affect, impair or invali-  
27 date the remainder thereof, but shall be confined in its operation to  
28 the clause, sentence, paragraph, section or part of this article direct-



1 ly involved in the controversy in which the judgment shall have been  
2 rendered.

3 § 3. This act shall take effect immediately.