

2014-15 NEW YORK STATE EXECUTIVE BUDGET

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

MEMORANDUM IN SUPPORT

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A BUDGET BILL submitted by the Governor in
Accordance with Article VII of the Constitution

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

Purpose:

This bill would establish a program to increase participation of service-disabled veteran-owned business enterprises in State contracting, thereby ensuring that these most deserving individuals would be enabled to participate in the very American Dream that they have fought so valiantly, on our behalf, to preserve.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would establish a new program to increase opportunities for the participation of service-disabled veteran-owned business enterprises in State contracting.

New York is home to more than 900,000 veterans, 72 percent of whom have served during periods of conflict. Approximately 88,000 New Yorkers served in Afghanistan or Iraq. Additionally, the State is home to approximately 30,000 active duty military personnel, as well as, 30,000 National Guard and Reserve personnel. These men and women have risked their lives and, in many cases, have often suffered physical and mental health impairments in the course of protecting our freedoms and our way of life. As these heroes work assiduously to readjust to civilian life, it is incumbent upon the State to assist them in reintegrating back into our economy.

Every year, the State procures billions of dollars in goods and services for the benefit of the people of New York. The expansion of economic opportunity through the significant purchasing power of the State is but one way to help reintegrate veterans back into the State's economy. If enacted, this bill would help Certified Service-Disabled Veteran-Owned Business Enterprises to grow and inspire budding entrepreneurs coming home from conflicts abroad to start new businesses that will be on the forefront of New York's economic revitalization.

Section 1 of the bill would make legislative findings.

Section 1-a would provide a title for the legislation – “Service-Disabled Veteran Owned Business Act”.

Section 2 of the bill would amend the Executive Law by adding a new article 17-B, “Participation By Service-Disabled Veterans with Respect to State Contracts.” Included would be a new section 369-h, that would define “certified service-disabled veteran-owned business enterprise”, “commissioner”, “director”, “division”, “service-disabled veteran”, “state agency” and “veteran.”

This section would create a new section 369-i, to establish the Division of Service-Disabled Veterans’ Business Development (the “Division”) within the Office of General Services (“OGS”) and outline the duties and responsibilities of the Director of the Division and Commissioner of OGS.

This section would also create a new section 369-j, that would require the Director to promulgate rules and regulations to operate a statewide service-disabled veteran-owned business enterprise program that, in connection with Certified Service-Disabled Veteran-Owned Business Enterprises, would provide for the following: (i) statewide performance measures and procedures, (ii) assistance to State Agencies in identifying State contracts for which goals for participation should be set, (iii) attainment of a statewide goal of 5% for participation on State contracts by Certified Service-Disabled Veteran-Owned Business Enterprises, (iv) certification and decertification of firms, (v) monitoring and compliance of State contracts, (vi) reporting requirements and State contract monitoring and compliance and (vii) reservation of certain State contracts for Certified Service-Disabled Veteran-Owned Business Enterprises.

Finally, section 369-k provides a severability clause for the legislation.

Section 3 of the bill provides for an immediate effective date.

Budget Implications:

This bill would have minimal fiscal impact on the State budget.

Effective Date:

This bill takes effect immediately.