

EXECUTIVE ORDERS & CALIFORNIA LEGISLATION



A Service

Disabled

Veterans

Business

Enterprise

Press Room

EXECUTIVE DEPARTMENT

STATE OF CALIFORNIA



EXECUTIVE ORDER S-02-06
by the
Governor of the State of California

WHEREAS, California has over one million small businesses which employ more than 6.8 million people, this represents 98 percent of all California enterprises and employs more than 50 percent of our workforce. California's sustained economic prosperity is tied directly to the success of the State's small businesses; and

WHEREAS, it is the State of California's policy to encourage the establishment of new businesses, grow existing businesses and promote more small business contracting with the State of California; and

WHEREAS, in response to business concerns about the difficulty of accessing information related to small business on various websites the Labor & Workforce Development Agency, the Business Transportation & Housing Agency and the Department of Food & Agriculture formed the California Economic Development Partnership (Partnership) to develop a website (calbusiness.ca.gov) to assist businesses. This website provides a single portal for accessing information for starting, growing, and financing, expanding or relocating a business in California. The portal seeks to simplify the path to the resources businesses need which are provided by a myriad of public and private sources, from State and federal agencies to local private non-profit organizations; and

WHEREAS, it is the State of California's policy to promote small business participation in its procurement and contracting processes by requiring all State agencies, departments, boards and commissions to achieve a goal of 25 percent small business participation in state

procurements and contracts; and my Administration is firmly committed to meet or exceed this vital goal through the coordinated efforts of all levels of State government; and

WHEREAS, the State of California purchases more than \$8.9 billion annually in goods and services (both non-information technology and information technology), construction and public works.

NOW THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue this Order to become effective immediately:

1. Each agency secretary, department director, and executive officer shall ensure that the State's procurement and contracting processes are administered in order to meet or exceed the 25 percent small business participation goal, and identify a Small Business Advocate at the agency, department, board, or commission level, encouraging them to develop and share innovative procurement and contracting practices from the public and private sectors to increase opportunities for small businesses.
2. The Department of General Services (DGS) shall monitor the progress of all agencies, departments, board and commissions towards meeting the 25 percent small business participation goal. The DGS and its California Small Business Advisory Council shall notify each agency secretary, department director, or executive officer, and Small Business Advocate of their individual successes and deficiencies, based on the most recent annual report. The DGS will also share this information with the California Small Business Advocate in the Governor's Office of Planning and Research.
3. State agencies, departments, boards and commissions that have not achieved the small business participation goal must submit an Implementation and Corrective Action Plan to the DGS. The DGS will share these plans with the California Small Business Advocate and together they will explore ways, including Memorandums of Understanding, to work with departments to improve performance.
4. All State agencies, departments, boards and commissions shall use the Statutory Informal Bidding Provisions to contract with small businesses for goods and services contracts under \$100,000 and construction contracts under \$120,000 whenever possible.
5. The DGS shall focus on achieving small business participation by enhancing the approaches pioneered under the California Strategic Sourcing Initiative such as Partnering Workshops as part of Bidders' Conferences. These workshops successfully bring prime vendors and small businesses together to jointly obtain State contracts.
6. California Economic Development Partnership shall continue to facilitate the improved

access of information to businesses through its web portal and other technologies. The DGS shall actively promote small business certification and help certified small businesses market their products, goods, and services to the State and further promote the use of the California State Contracts Register, Subscription Outreach Service, which notifies potential bidders of bid opportunities advertised in their specific area of interest. All State agencies, departments, boards and commissions are to work with the DGS by providing accessible links to their websites listing current bid opportunities.

7. The California Small Business Advocate is directed to enhance the State's Small Business program, focusing particularly on areas related to regulations and helping small businesses secure needed financing. The Small Business Advocate shall coordinate with the DGS to cooperatively enhance the State's Small Business program and is directed to conduct five regional workshops within the next 12 months focusing on the establishment and growth of small businesses and increased contracting opportunities within the State of California.

State constitutional officers, the University of California, the California State University, the Lottery Commission, the Public Employees' Retirement System, the State Teachers' Retirement System, the State Compensation Insurance Fund, and other independent State entities are encouraged to take all necessary actions to comply with the intent and the requirements of this Order.

This Order is not intended to, and does not create any right or benefit, substantive or procedural, enforceable in law or equity, against the State of California, its departments, agencies or other entities, its officers or employees, or any other person. Nothing in this Order shall be construed to require any action that would result in the violation of a court order or a loss of eligibility for federal funding.

IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-ninth day of March 2006.



/s/ Arnold Schwarzenegger

Governor of California

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**



**EXECUTIVE ORDER D-43-01
by the
Governor of the State of California**

WHEREAS, the State of California spends billions of dollars each year procuring goods and services, and

WHEREAS, the State of California established the Disabled Veteran Business Enterprise Program in 1989 (Public Contract Code 10115) to promote self-reliance for California's disabled veterans by offering veterans the opportunity to gain experience in business, while sharing their expertise with the citizens of California; and

WHEREAS, existing law establishes the goal of awarding three percent of all state contracts to certified Disabled Veteran Business Enterprises; and

WHEREAS, most State departments and agencies have not met this goal; and

WHEREAS, it is my intent to keep California's promise to our veterans by increasing the participation of disabled veteran businesses in State contracting;

NOW THEREFORE, I, GRAY DAVIS, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue this order to become effective immediately:

IT IS ORDERED that each department director or chief executive officer shall take all appropriate action to ensure that the State's contracting programs are administered in a manner that promotes the participation of disabled veteran businesses to the greatest extent possible.

IT IS FURTHER ORDERED that each Agency Secretary shall promote the use of disabled veteran businesses in State contracting and shall review the participation levels achieved by the departments within their agencies. If a department's level of participation by disabled veteran businesses is less than three percent, or its participation rate is not reported, the Agency Secretary shall require the department to develop a plan for improvement.

IT IS FURTHER ORDERED that this review shall be completed, and any required plans shall be submitted to my Cabinet Secretary, no later than August 1, 2001. The review and plans required by this Executive Order shall be coordinated and included with the review and plans required by Executive Order D-37-01.

IT IS FURTHER ORDERED that the Departments of Veterans Affairs and General Services shall provide direction, assistance and resources to State agencies in achieving participation by disabled veteran businesses at the three- percent level.

IT IS FURTHER ORDERED that all State agencies shall make every effort to assure that disabled veteran businesses participate in at least three percent of State contracting annually by June 30, 2002. Any agency that does not meet this level shall report to the Governor by December 1, 2002 on the reasons why the participation was not achieved and options for improving contracting opportunities for disabled veteran businesses.

IT IS FURTHER ORDERED that, because virtually all disabled veteran businesses are small businesses, Agency Secretaries and the Department of General Services shall, to the extent possible, coordinate their efforts under this Executive Order with their efforts for small businesses under Executive Order D-37-01.

IT IS FURTHER ORDERED that the Department of General Services, in cooperation with the Department of Veterans Affairs, shall examine the current contracting programs for disabled veteran and small businesses and make recommendations to my office on how those programs could be improved.

IT IS FURTHER ORDERED that all Constitutional Officers, the University of California, the California State University, the Lottery Commission, the Public Employees' Retirement System, the State Teachers' Retirement System, the State Compensation Insurance Fund, and other independent State entities are encouraged to take all necessary actions to comply with the intent and the requirements of this Order.

IT IS FURTHER ORDERED that nothing in this Order shall be construed to require any action that would violate a court order or statute, or result in a loss of eligibility for federal funding.

I FURTHER DIRECT that as soon as hereafter possible, this order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this order.



IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-second day of June 2001.

/s/ Gray Davis

Governor of California

Press Release



OFFICE OF THE GOVERNOR

PR02:368
FOR IMMEDIATE RELEASE
06/28/2002

GOVERNOR DAVIS ORDERS STATE AGENCIES TO INCREASE DISABLED VETERANS CONTRACTING 06/28/2002

SACRAMENTO

Governor Gray Davis today ordered the Department of General Services and the Department of Veterans Affairs to improve California's record in granting State contracts to the Disabled Veteran Business Enterprise (DVBE).

Last year, Governor Davis issued an Executive Order that outlined a strategy to include more disabled veterans in State contracts. One year later, the DVBE has reached 1.8 percent - a modest improvement.

"I'm disturbed to learn that one year after my order we haven't made more progress toward reaching the three percent goal," Governor Davis said. "I am now ordering an intensive effort to improve those numbers beginning immediately."

The DVBE was established in 1989 to promote self-reliance for the State's disabled veterans by offering them the opportunity to gain business experience.

Under the directive, the new changes are:

- Move outreach resources for DVBEs from the Department of General Services to the Department of Veterans Affairs;
- Direct the small business advocate to assist in developing an outreach strategy for DVBEs and assist in its implementation;
- Support for legislation that sets aside a 5 percent preference for certified DVBEs;
- Require monthly departmental progress reports effective August 1, 2002; and
- Direct the State and Consumer Services Agency to monitor and ensure compliance of monthly reporting.

"Veterans sacrificed so much to protect and keep all Americans safe," Governor Davis said. "I expect California's state agencies and departments to answer my call to include veterans businesses in State contracts the same way California's veterans answered their call to their country."

Please see Governor Davis' letter below.

MILITARY AND VETERANS CODE

SECTION 999-999.13

999. (a) This article shall be known as, and may be cited as, the California Disabled Veteran Business Enterprise Program. The California Disabled Veteran Business Enterprise Program is established to address the special needs of disabled veterans seeking rehabilitation and training through entrepreneurship and to recognize the sacrifices of Californians disabled during military service. It is the intent of the Legislature that every state procurement authority honor California's disabled veterans by taking all practical actions necessary to meet or exceed the disabled veteran business enterprise participation goal of a minimum of 3 percent of total contract value.

(b) As used in this article, the following definitions apply:

(1) "Administering agency" means the Treasurer in the case of contracts for professional bond services, and the Department of General Services' Office of Small Business and Disabled Veteran Business Enterprise Services, in the case of contracts governed by

Section 999.2.

(2) "Awarding department" means any state agency, department, governmental entity, or other officer or entity empowered by law to issue bonds or enter into contracts on behalf of the State of California.

(3) "Bonds" means bonds, notes, warrants, certificates of participation, and other evidences of indebtedness issued by, or on behalf of, the State of California.

(4) "Contract" includes any agreement or joint agreement to provide professional bond services to the State of California or an awarding department. "Contract" also includes any agreement or joint development agreement to provide labor, services, materials, supplies, or equipment in the performance of a contract, franchise, concession, or lease granted, let, or awarded for, and on behalf of, the State of California.

(5) (A) "Contractor" means any person or persons, regardless of race, color, creed, national origin, ancestry, sex, marital status, disability, religious or political affiliation, age, or any sole proprietorship, firm, partnership, joint venture, corporation, or combination thereof who submits a bid and enters into a contract with a representative of a state agency, department, governmental entity, or other officer empowered by law to enter into contracts on behalf of the State of California. "Contractor" includes any provider of professional bond services who enters into a contract with an awarding department.

(B) "Disabled veteran business enterprise contractor, subcontractor, or supplier" means any person or entity that has been certified by the administering agency pursuant to this article and that performs a "commercially useful function," as defined below, in providing services or goods that contribute to the fulfillment of the contract requirements:

(i) A person or an entity is deemed to perform a "commercially useful function" if a person or entity does all of the following:

(I) (aa) Is responsible for the execution of a distinct element of the work of the contract.

(ab) Carries out the obligation by actually performing, managing, or supervising the work involved.

(ac) Performs work that is normal for its business services and functions.

(II) Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices. (ii) A contractor, subcontractor, or supplier will not be considered to perform a “commercially useful function” if the contractor’s, subcontractor’s, or supplier’s role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of a disabled veteran business enterprise participation.

(6) “Disabled veteran” means a veteran of the military, naval, or air service of the United States, including, but not limited to, the Philippine Commonwealth Army, the Regular Scouts, “Old Scouts,” and the Special Philippine Scouts, “New Scouts,” who has at least a 10-percent service-connected disability and who is domiciled in the State of California.

(7) (A) “Disabled veteran business enterprise” means a business certified by the administering agency as meeting all of the following requirements:

(i) It is a sole proprietorship at least 51 percent owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary that is wholly owned by a parent corporation, but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture’s management, control, and earnings are held by one or more disabled veterans.

(ii) The management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.

(iii) It is a sole proprietorship, corporation, or partnership with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.

(B) Notwithstanding subparagraph (A), after the death or the certification of a permanent medical disability of a disabled veteran who is a majority owner of a business that qualified as a disabled veteran business enterprise prior to that death or certification of a permanent medical disability, and solely for purposes of any contract entered into before that death or certification, that business shall be deemed to be a disabled veteran business enterprise for a period not to exceed three years after the date of that death or certification of a permanent medical disability, if the business is inherited or controlled by the spouse or child of that majority owner, or by both of those persons.

(8) “Foreign corporation,” “foreign firm,” or “foreign-based business” means a business entity that is incorporated or has its principal headquarters located outside the United States of America.

(9) “Goal” means a numerically expressed objective that awarding departments and contractors are required to make efforts to achieve.

(10) “Management and control” means effective and demonstrable management of the business entity.

(11) “Professional bond services” include services as financial advisers, bond counsel, underwriters in negotiated transactions, underwriter’s counsel, financial printers, feasibility consultants, and other professional services related to the issuance and sale of bonds.

999.1 (a) (1) Notwithstanding any other provision of law, each awarding department shall have annual statewide participation goals of not less than 3 percent for disabled veteran business enterprises for contracts entered into by the awarding department during the year for professional bond services. This section shall not apply if a contract for professional bond services of an underwriter is to be obtained by competitive bid. However, each awarding department shall establish goals for contracts to be obtained by competitive bid for professional bond services.

(2) These goals shall apply to the overall dollar amount expended by the awarding department with respect to the contracts for professional bond services relating to the issuance of bonds by the awarding department, including amounts spent as underwriter's discounts.

(b) In attempting to meet the goals set forth in subdivision (a), the awarding department shall consider establishing cocounsel, joint venture, and subcontracting relationships, including disabled veteran business enterprises, in all contracts for professional bond services. It shall be the responsibility of the head of each awarding department to be supportive of the Treasurer's program for assigning representative portions of professional bond services contracts for purposes of meeting the goals established pursuant to this section. However, nothing in this article shall preclude the awarding department from achieving the goals set forth in this section without requiring joint ventures, cocounsel, or subcontracting arrangements.

(c) This section shall not limit the ability of any awarding department to meet a goal higher than those set forth in subdivision (a) for the participation of disabled veteran business enterprises in contracts awarded by the awarding department.

999.2. (a) Notwithstanding any other provision of law, contracts awarded by any state agency, department, officer, or other state governmental entity, including school districts when they are expending state funds for construction, professional services (except those subject to Chapter 6 (commencing with Section 17850) of Part 3 of Division 4 of Title 2 of the Government Code), materials, supplies, equipment, alteration, repair, or improvement shall have statewide participation goals of not less than 3 percent for disabled veteran business enterprises. These goals apply to the overall dollar amount expended each year by the awarding department.

(b) For purposes of this section:

(1) "Broker" or "agent" means any individual or entity, or any combination thereof, that does not have title, possession, control, and risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more certified disabled veterans has 51 percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract.

(2) "Equipment" means any piece of equipment that is used or provided for rental to any state agency, department, officer, or other state governmental entity, including equipment for which operators are provided.

(3) "Equipment broker" means any broker or agent who rents equipment to an awarding department.

(c) A disabled veteran business enterprise that rents equipment to an awarding department shall be deemed to be an equipment broker unless one or more disabled veterans has 51-percent ownership of the quantity and the value of each piece of equipment. If the equipment is owned by one or more disabled veterans, each disabled veteran owner shall, prior to performance under any contract, submit to the awarding department a declaration signed by the disabled veteran owner stating that the owner is a disabled veteran and providing the name, address, telephone number, and tax identification number of the disabled veteran owner. Each disabled veteran owner shall submit his or her federal income tax returns to the administering agency

pursuant to subdivision (g) as if he or she were a disabled veteran business enterprise. The disabled veteran business enterprise of a disabled veteran owner who fails to submit his or her tax returns will be deemed to be an equipment broker.

(d) A disabled veteran business enterprise that rents equipment to an awarding department shall, prior to performing the contract, submit to the awarding department a declaration signed by each disabled veteran owner and manager of the enterprise stating that the enterprise obtained the contract by representing that the enterprise was a disabled veteran business enterprise meeting and maintaining all of the requirements of a disabled veteran business enterprise. The declaration shall include the name, address, telephone number, and tax identification number of the owner of each piece of equipment identified in the contract.

(e) State funds expended for equipment rented from equipment brokers pursuant to contracts awarded under this section shall not be credited toward the 3-percent goal.

(f) A disabled veteran business enterprise that is a broker or agent and that obtains a contract pursuant to subdivision (a) shall, prior to performing the contract, disclose to the awarding department that the business is a broker or agent. The disclosure shall be made in a declaration signed and executed by each disabled veteran owner and manager of the enterprise, declaring that the enterprise is a broker or agent, and identifying the name, address, and telephone number of the principal for whom the enterprise is acting as a broker or agent.

(g) (1) A disabled veteran business enterprise, and each owner thereof, shall, at the time of certification, submit to the administering agency complete copies of the enterprise's federal income tax returns for the three previous tax years.

(2) A disabled veteran business enterprise, and each owner thereof, shall submit to the administering agency complete copies of the enterprise's federal income tax returns that have a postcertification due date, on or before the due date, including extensions.

(3) A disabled veteran business enterprise that, and each owner thereof who, has not submitted to the administering agency complete copies of the enterprise's federal income tax returns for the three tax years preceding certification nor for each postcertification tax year for which a return was required to be filed, shall have 90 days to submit those returns.

(4) A disabled veteran business enterprise that fails to comply with any provision of this subdivision shall be prohibited from participating in any state contract until the disabled veteran business enterprise complies with the provisions of this subdivision. Funds expended involving a disabled veteran business enterprise during any period in which that enterprise is not in compliance with the provisions of this subdivision shall not be credited toward the awarding department's 3-percent goal.

(h) A disabled veteran business enterprise that fails to maintain the certification requirements set forth in this article shall immediately notify the awarding department and the administering agency of that failure by filing a notice of failure that states with particularity each requirement the disabled veteran business enterprise has failed to maintain.

999.3. Notwithstanding Section 999.1, if a contract for professional bond services of an underwriter is to be obtained by competitive bid, the awarding department shall, at a minimum, take all of the following actions:

(a) Deliver the notice of sale or other notification of intention to issue the bonds to all disabled veteran business enterprises that have listed their names with the awarding department for the purpose of this notice and other qualified disabled veteran enterprises known to the awarding department.

(b) State in all notices of sale and other notifications of intention to issue bonds that disabled veteran business enterprises are encouraged to respond.

(c) Require all submitting bidders to certify their awareness of the goals of the awarding department in accordance with this article.

999.5. (a) The administering agency for the California Disabled Veteran Business Enterprise Program is the Department of General Services, except in the case of contracts for professional bond services. The Department of General Services shall consult with the California Disabled Veteran Business Enterprise Program Advocate, appointed by the Department of Veterans Affairs pursuant to Section 999.11, on all matters relating to the California Disabled Veteran Business Enterprise Program. The Director of General Services shall adopt written policies and guidelines establishing a uniform process for state contracting that would provide a disabled veteran business enterprise participation incentive to bidders. The incentive program shall be used by all state agencies when awarding contracts.

(b) The Department of Veterans Affairs shall do all of the following:

(1) Establish a method of monitoring adherence to the goals specified in Sections 999.1 and 999.2.

(2) Promote the California Disabled Veteran Business Enterprise Program to the fullest extent possible.

(3) Maintain complete records of its promotional efforts.

(4) Establish a system to track the effectiveness of its efforts to promote the California Disabled Veteran Business Enterprise Program, which shall include regular, periodic surveys of newly certified disabled veteran business enterprises to determine how they learned of the program, why they became certified, and what their experience with awarding departments has been.

(c) An awarding department shall not credit toward the department's 3-percent goal state funds expended on a contract with a disabled veteran business enterprise that does not meet and maintain the certification requirements.

(d) The administering agency shall adopt rules and regulations, including standards for good faith efforts, for the purpose of implementing this section. Emergency regulations consistent with this section may be adopted.

999.6. In implementing this article, the awarding department shall utilize existing resources such as the Office of Small Business and Disabled Veteran Business Enterprise Services, the Department of Veterans Affairs, the federal Department of Veterans Affairs, and the Small Business Administration.

999.7. (a) (1) Notwithstanding Section 10115.5 of the Public Contract Code, on January 1 of each year, each awarding department shall report to the Department of General Services and the Department of Veterans Affairs on the level of participation by disabled veteran business enterprises in contracts identified in this article for the previous fiscal year.

(2) If the awarding department has not met the established goals for that year, the awarding department shall report to the Department of General Services and the Department of Veterans Affairs the reasons for the awarding department's inability to achieve the goals and shall identify steps it shall take in an effort to achieve the goals.

(3) The Director of General Services shall adopt a streamlined reporting procedure for state agencies to use in reporting their disabled veteran business enterprise participation to the department.

(b) On April 1 of each year, the Department of General Services shall prepare for the Governor, the Legislature, and the Department of Veterans Affairs a statewide statistical summary detailing each awarding department's goal achievement and a statewide total of those goals.

(c) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2007, deletes or extends that date.

999.8. (a) Notwithstanding anything in this article to the contrary, the validity or enforceability of any bonds, or any contract or any notes, or other obligations issued by the awarding department to provide for the payment of any contract subject to this article shall not be affected in any way by the failure of an awarding department to meet the goals established under this article.

(b) No action may be maintained to enjoin the issuance of any bonds to which this article applies or the enforcement of any contract for professional bond services based on an awarding department's failure to meet the goals set forth in Section 999.1.

999.9. (a) It shall be unlawful for a person to:

(1) Knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain, certification as a disabled veteran business enterprise for the purpose of this article.

(2) Willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a state official or employee for the purpose of influencing the certification or denial of certification of any entity as a disabled veteran business enterprise.

(3) Willfully and knowingly obstruct, impede, or attempt to obstruct or impede, any state official or employee who is investigating the qualifications of a business entity that has requested certification as a disabled veteran business enterprise.

(4) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain, public moneys, contracts, or funds expended under a contract, that are awarded by any state agency, department, officer, or other state governmental agency, to which the person is not entitled under this article.

(5) Knowingly and with intent to defraud, fraudulently represent participation of a disabled veteran business enterprise in order to obtain or retain a bid preference or a state contract.

(6) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document.

(7) Willfully and knowingly aid or assist in, or procure, counsel, or advise, the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document.

(8) Willfully and knowingly fail to file any declaration or notice with the awarding agency that is required by Section 999.2.

(9) Establish, or knowingly aid in the establishment of, or exercise control over, a firm found to have violated any of paragraphs (1) to (8), inclusive.

(b) Any person who violates any of the provisions of subdivision (a) shall be guilty of a misdemeanor punishable by imprisonment in the county jail not exceeding six months or by a fine not exceeding one thousand dollars (\$1,000), or by both. In addition, the person shall be liable for a civil penalty of not less than ten thousand dollars (\$10,000) nor more than thirty thousand dollars (\$30,000) for the first violation, and a civil penalty of not less than thirty thousand dollars (\$30,000) nor more than fifty thousand dollars (\$50,000) for each additional or subsequent violation. A defendant who violates any of the provisions of subdivision (a) shall pay all costs and attorney's fees incurred by the plaintiff in a civil action brought pursuant to this section.

(c) (1) The Department of General Services shall suspend any person who violates subdivision (a) from bidding on, or participating as either a contractor, subcontractor, or supplier in, any state contract or project for a period of not less than three years, and if certified as a disabled veteran business enterprise, the department shall revoke the business' certification for a period of not less than three years. An additional or subsequent violation shall extend the periods of suspension and revocation for a period of not less than five years. The suspension and revocation shall apply to the principals of the business and any subsequent business formed or financed by, or affiliated with, those principals.

(2) The Department of General Services shall prohibit any business or person who fails to satisfy the penalties, costs, and attorney's fees imposed pursuant to subdivision (b) from further contracting with the state until the penalties are satisfied.

(d) The awarding department shall report all alleged violations of this section to the Department of General Services. The Department of General Services shall subsequently report all alleged violations to the Attorney General who shall determine whether to bring a civil action against any person or firm for violation of this section.

(e) The Department of General Services shall monitor the status of all reported violations and shall maintain and make available to all state departments a central listing of all firms and persons who have been determined to have committed violations resulting in suspension.

(f) No awarding department shall enter into any contract with any person suspended for violating this section during the period of the person's suspension. No awarding department shall award a contract to any contractor utilizing the services of any person as a subcontractor suspended for violating this section during the period of the person's suspension.

(g) The awarding department shall check the central listing provided by the Department of General Services to verify that the person or contractor to whom the contract is being awarded, or any person being utilized as a subcontractor or supplier by that person or contractor, is not under suspension for violating this section.

999.10. (a) Any awarding department taking bids in connection with the award of any contract shall provide, in the general conditions under which bids will be received, that any person making a bid or offer to perform a contract shall, in his or her bid or offer, set forth the following information:

(1) The name and the location of the place of business of each subcontractor certified as a disabled veteran business enterprise who will perform work or labor or render service to the prime contractor in connection with the performance of the contract and who will be used by the prime contractor to fulfill disabled veteran business enterprise participation goals.

(2) The portion of work that will be done by each subcontractor under paragraph (1). Except in cases of emergency where a contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property, the prime contractor shall list only one subcontractor for each portion of work as is defined by the prime contractor in his or her bid or offer.

(b) The Subletting and Subcontracting Fair Practices Act (Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code) shall apply to the information required by subdivision (a) relating to subcontractors certified as disabled veteran business enterprises.

(c) For purposes of this section, “subcontractor” and “prime contractor” shall have the same meaning as those terms are defined in Section 4113 of the Public Contract Code.

(d) As used in this section, “contract” does not include a contract negotiated pursuant to Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.

999.11. The Secretary of the Department of Veterans Affairs shall appoint the California Disabled Veteran Business Enterprise Program Advocate. The California Disabled Veteran Business Enterprise Program Advocate shall report directly to the secretary and shall do all of the following:

(a) Oversee, promote, and coordinate efforts to facilitate implementation of this article.

(b) Disseminate information on this article.

(c) Coordinate reports pursuant to Section 999.7.

(d) Coordinate with administering agencies and existing and potential disabled veteran business enterprises to achieve the goals specified in Sections 999.1 and 999.2.

(e) Coordinate with the California Disabled Veteran Business Enterprise Program Advocate appointed in all awarding departments pursuant to Section 999.12.

999.12. Each awarding department shall appoint an agency Disabled Veteran Business Enterprise Program Advocate. This person shall be the same individual appointed pursuant to Section 14846 of the Government Code. The agency Disabled Veteran Business Enterprise Program Advocate shall do all of the following:

(a) Assist certified disabled veteran business enterprises in participating in that agency’s contracting process.

(b) Assist contract officers in seeking disabled veteran business enterprises to participate in the agency’s contract and procurement activities by performing outreach efforts to recruit disabled veteran business enterprises to offer their services as either a prime contractor or subcontractor on any contract proposed by the awarding department that requires disabled veteran business enterprise participation, and by other feasible means.

(c) Meet regularly with the California Disabled Veteran Business Enterprise Program Advocate and contract and procurement staffs of their departments to disseminate information about the California Disabled Veteran Business Enterprise Program.

(d) Serve as an advocate for the disabled veteran business enterprises that are utilized as the agency's contractors or subcontractors.

(e) Report to the Office of Small Business and Disabled Veteran Business Enterprise Services regarding any violation of this article.

(f) Coordinate and meet, on a regular basis, with the California Disabled Veteran Business Enterprise Program Advocate at the Department of Veterans Affairs in an effort to meet the statewide 3-percent goal provided for in Section 999.2.

999.13. This article includes language similar to that contained in Article 1.5 (commencing with Section 10115) of Chapter 1 of Part 2 of Division 2 of the Public Contract Code and does not create an independent or additional goal or program.

The background of the page is a faded, grayscale image of the California Republic flag. It features a grizzly bear standing on a rock, holding a bow in its right paw and an arrow pointing downward in its left. The word "EUREKA" is inscribed on the bear's chest. Below the bear, the words "CALIFORNIA" and "REPUBLIC" are visible in large, bold, sans-serif capital letters. The entire image is set against a light gray background.

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