

REFERENCE TITLE: state contracts; participation goals; veterans

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
Second Regular Session  
2010

# HB 2199

Introduced by  
Representatives Weiers JP, Gowan

AN ACT

AMENDING TITLE 41, CHAPTER 23, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-2560; RELATING TO THE ARIZONA PROCUREMENT CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Title 41, chapter 23, article 3, Arizona Revised Statutes,  
3 is amended by adding section 41-2560, to read:  
4 41-2560. State contracts; veteran owned business; participation  
5 goal; rules; definitions  
6 A. NOTWITHSTANDING ANY OTHER LAW, THE DIRECTOR SHALL ESTABLISH A  
7 VETERAN OWNED BUSINESS PARTICIPATION GOAL OF AWARDING TO VETERAN OWNED  
8 BUSINESSES THREE PER CENT OR MORE OF STATE CONTRACTS INVOLVING THE  
9 PROCUREMENT OF MATERIALS, SERVICES OR CONSTRUCTION OR THE DISPOSAL OF  
10 MATERIALS. THE GOAL APPLIES TO THE OVERALL DOLLAR AMOUNT SPENT EACH YEAR BY  
11 THIS STATE PURSUANT TO THIS ARTICLE.  
12 B. THE DIRECTOR, BY RULE, SHALL ESTABLISH PROCEDURES FOR MEETING THE  
13 GOAL, INCLUDING COMPILING A REGISTRY OF VETERAN OWNED BUSINESSES THAT ARE  
14 CERTIFIED BY THE DIRECTOR AS QUALIFYING AS VETERAN OWNED BUSINESSES. THE  
15 DIRECTOR, BY RULE, MAY ALLOW A PROCUREMENT OFFICER TO RESERVE CERTAIN  
16 PROCUREMENTS FOR VETERAN OWNED BUSINESSES.  
17 C. FOR THE PURPOSES OF THIS SECTION:  
18 1. "VETERAN" MEANS A PERSON WHO IS A VETERAN OF THE ARMED FORCES OF  
19 THE UNITED STATES AND WHO IS SEPARATED FROM THE ARMED FORCES UNDER HONORABLE  
20 CONDITIONS FOLLOWING MORE THAN SIX MONTHS OF ACTIVE DUTY.  
21 2. "VETERAN OWNED BUSINESS" MEANS A BUSINESS CONCERN WHERE ALL OF THE  
22 FOLLOWING APPLY:  
23 (a) THE BUSINESS IS AN INDIVIDUAL PROPRIETORSHIP, PARTNERSHIP,  
24 CORPORATION OR JOINT VENTURE THAT IS AT LEAST FIFTY-ONE PER CENT OWNED BY ONE  
25 OR MORE VETERANS OR, IN THE CASE OF ANY BUSINESS WHOSE STOCK IS PUBLICLY  
26 HELD, WHERE AT LEAST FIFTY-ONE PER CENT OF THE STOCK IS OWNED BY ONE OR MORE  
27 VETERANS.  
28 (b) THE MANAGEMENT AND DAILY OPERATIONS OF THE BUSINESS ARE CONTROLLED  
29 BY ONE OR MORE VETERANS WHO OWN THE BUSINESS.  
30 (c) THE HOME OFFICE OF THE BUSINESS IS LOCATED IN THIS STATE AND IS  
31 NOT A BRANCH OR SUBSIDIARY OF A FOREIGN CORPORATION, FIRM OR OTHER BUSINESS.  
32 Sec. 2. Effective date  
33 Section 41-2560, Arizona Revised Statutes, as added by this act, is  
34 effective from and after December 31, 2010.