MEMORANDUM

DATE: April 4, 2011

TO: The Honorable Earl G. Jaques Jr.
The Honorable George H. Bunting Jr.

FROM: Ms. Daniese McMullin-Powell, Chairperson
State Council for Persons with Disabilities

RE: H.B. 17 [State Procurement]

The State Council for Persons with Disabilities (SCPD) has reviewed H.B. 17 which would establish a goal of awarding not less than 3% of the State’s total expenditures for material, public works contracts, and services to veteran-owned small business. A “veteran-owned small business” is one at least 51% owned and controlled by one or more individuals who are veterans. SCPD has the following observations and reservations, and respectfully requests your perspective regarding the intent of the proposed legislation.

First, there is no definition of “small business”. This may result in difficulty in implementation.

Second, the definition of “veteran” would include persons who served in the military of foreign nations. SCPD suspects this is not the sponsors’ intent.

Third, the accuracy of the synopsis could be improved. It refers to establishing a goal for “disabled veteran-owned and veteran-owned businesses”. In contrast, the bill has no provisions addressing “disabled veteran owned” businesses. The bill contains no provisions addressing disability whatsoever.

Fourth, reasonable persons could question whether establishing a preference for businesses with a majority owner who is a veteran (irrespective of the wealth of the veteran) is justifiable. Perhaps the public interest could be better served by targeting State procurement to non-profit agencies which contract with DHSS to provide vocational opportunities to persons with disabilities (e.g. Elwyn; Goodwill; Chimes).

Thank you for your consideration and please contact SCPD if you have any questions regarding our position or observations on the proposed legislation.

cc: The Honorable Jack A. Markell
    Mr. Brian Hartman, Esq.
    Governor’s Advisory Council for Exceptional Citizens
    Developmental Disabilities Council

hb 17 state procurement 3-31-11