

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 173**

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**Introduced by Assembly Member Weber**  
*(Principal coauthor: Senator Price)*

January 24, 2013

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An act to add Sections 14838.60 and 14838.64 to the Government Code, and to add Section 20651.2 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 173, as amended, Weber. Postsecondary education: Small Business Procurement and Contract Act.

Existing law, the Small Business Procurement and Contract Act, permits a state agency to award a contract for goods, services, or information technology with a value of between \$5,000 and \$250,000 to a certified small business, including a microbusiness and a disabled veteran business enterprise, without complying with specified competitive bidding requirements.

Existing law establishes provisions regarding the award of contracts for goods and services applicable to the University of California, the California State University, and the California Community Colleges.

This bill would, notwithstanding those provisions, similarly authorize the University of California, the California State University, and a community college district to award a contract for goods, services, or information technology with a value of between \$5,000 and \$250,000 to a certified small business, including a microbusiness and a disabled veteran business enterprise, without complying with specified competitive bidding requirements. The bill would declare that it is not

applicable to the University of California except to the extent that the Regents of the University of California, by appropriate resolution, make it applicable.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 14838.60 is added to the Government
- 2 Code, immediately following Section 14838.5, to read:
- 3 14838.60. (a) Notwithstanding any provision of law, including,
- 4 but not limited to, the advertising, bidding, and protest provisions
- 5 of Chapter 6 (commencing with Section 14825) of this part, and
- 6 Chapter 2.1 (commencing with Section 10500) and Chapter 3
- 7 (commencing with Section 12100) of Part 2 of Division 2 of the
- 8 Public Contract Code, the University of California may award a
- 9 contract for the acquisition of goods, services, or information
- 10 technology that has an estimated value of greater than five thousand
- 11 dollars (\$5,000), but less than two hundred fifty thousand dollars
- 12 (\$250,000), to a certified small business, including a microbusiness,
- 13 or to a disabled veteran business enterprise, ~~as long as~~ *if* the
- 14 University of California obtains price quotations from two or more
- 15 certified small businesses, including microbusinesses, or from two
- 16 or more disabled veteran business enterprises.
- 17 (b) In carrying out subdivision (a), the University of California
- 18 shall consider a responsive offer timely received from a responsible
- 19 certified small business, including a microbusiness, or from a
- 20 disabled veteran business enterprise.
- 21 (c) If the estimated cost to the state is ~~less than~~ five thousand
- 22 dollars (\$5,000) *or less* for the acquisition of goods, services, or
- 23 information technology, or a greater amount as administratively
- 24 established by the director, the University of California shall obtain
- 25 at least two price quotations from responsible suppliers whenever
- 26 there is reason to believe a response from a single source is not a
- 27 fair and reasonable price.
- 28 (d) No provision of this section shall apply to the University of
- 29 California except to the extent that the Regents of the University
- 30 of California, by appropriate resolution, make that provision
- 31 applicable.

1 SEC. 2. Section 14838.64 is added to the Government Code,  
2 to read:

3 14838.64. (a) Notwithstanding any provision of law, including,  
4 but not limited to, the advertising, bidding, and protest provisions  
5 of Chapter 6 (commencing with Section 14825) of this part and  
6 Chapter 2.5 (commencing with Section 10700) and Chapter 3  
7 (commencing with Section 12100) of Part 2 of Division 2 of the  
8 Public Contract Code, the California State University may award  
9 a contract for the acquisition of goods, services, or information  
10 technology that has an estimated value of greater than five thousand  
11 dollars (\$5,000), but less than two hundred fifty thousand dollars  
12 (\$250,000), to a certified small business, including a microbusiness,  
13 or to a disabled veteran business enterprise, ~~as long as if~~ the  
14 California State University obtains price quotations from two or  
15 more certified small businesses, including microbusinesses, or  
16 from two or more disabled veteran business enterprises.

17 (b) In carrying out subdivision (a), the California State  
18 University shall consider a responsive offer timely received from  
19 a responsible certified small business, including a microbusiness,  
20 or from a disabled veteran business enterprise.

21 (c) If the estimated cost to the state is ~~less than~~ five thousand  
22 dollars (\$5,000) *or less* for the acquisition of goods, services, or  
23 information technology, or a greater amount as administratively  
24 established by the director, the California State University shall  
25 obtain at least two price quotations from responsible suppliers  
26 whenever there is reason to believe a response from a single source  
27 is not a fair and reasonable price.

28 SEC. 3. Section 20651.2 is added to the Public Contract Code,  
29 to read:

30 20651.2. (a) Notwithstanding any provision of law, including,  
31 but not limited to, the advertising, bidding, and protest provisions  
32 of this article and Division 7 (commencing with Section 70900)  
33 of Title 3 of the Education Code, the governing board of a  
34 community college district may award a contract for the acquisition  
35 of goods, services, or information technology that has an estimated  
36 value of greater than five thousand dollars (\$5,000), but less than  
37 two hundred fifty thousand dollars (\$250,000), to a certified small  
38 business, including a microbusiness, or to a disabled veteran  
39 business enterprise, ~~as long as if~~ the community college district  
40 obtains price quotations from two or more certified small

1 businesses, including microbusinesses, or from two or more  
2 disabled veteran business enterprises.

3 (b) In carrying out subdivision (a), a community college district  
4 shall consider a responsive offer timely received from a responsible  
5 certified small business, including a microbusiness, or from a  
6 disabled veteran business enterprise.

7 (c) If the estimated cost to the community college district is ~~less~~  
8 ~~than~~ five thousand dollars (\$5,000) *or less* for the acquisition of  
9 goods, services, or information technology, or a greater amount  
10 as administratively established by the Board of Governors of the  
11 California Community Colleges, a community college district shall  
12 obtain at least two price quotations from responsible suppliers  
13 whenever there is reason to believe a response from a single source  
14 is not a fair and reasonable price.

15 (d) The definitions set forth in Section 14837 of the Government  
16 Code apply to this section.

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