

AMENDED IN ASSEMBLY APRIL 24, 2013

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, 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 similarly authorize the University of California to award a contract for goods, services, or information technology with a value of between \$100,000 and \$250,000.* 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)~~, *one hundred thousand dollars (\$100,000)*, but  
 12 less than two hundred fifty thousand dollars (\$250,000), to a  
 13 certified small business, including a microbusiness, or to a disabled  
 14 veteran business enterprise, if the University of California obtains  
 15 price quotations from two or more certified small businesses,  
 16 including microbusinesses, or from two or more disabled veteran  
 17 business enterprises.  
 18 (b) In carrying out subdivision (a), the University of California  
 19 shall consider a responsive offer timely received from a responsible  
 20 certified small business, including a microbusiness, or from a  
 21 disabled veteran business enterprise.  
 22 ~~(c) If the estimated cost to the state is five thousand dollars~~  
 23 ~~(\$5,000) or less for the acquisition of goods, services, or~~  
 24 ~~information technology, or a greater amount as administratively~~  
 25 ~~established by the director, the University of California shall obtain~~  
 26 ~~at least two price quotations from responsible suppliers whenever~~  
 27 ~~there is reason to believe a response from a single source is not a~~  
 28 ~~fair and reasonable price.~~

1 ~~(d)~~

2 (c) No provision of this section shall apply to the University of  
3 California except to the extent that the Regents of the University  
4 of California, by appropriate resolution, make that provision  
5 applicable.

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

8 14838.64. (a) Notwithstanding any provision of law, including,  
9 but not limited to, the advertising, bidding, and protest provisions  
10 of Chapter 6 (commencing with Section 14825) of this part and  
11 Chapter 2.5 (commencing with Section 10700) and Chapter 3  
12 (commencing with Section 12100) of Part 2 of Division 2 of the  
13 Public Contract Code, the California State University may award  
14 a contract for the acquisition of goods, services, or information  
15 technology that has an estimated value of greater than five thousand  
16 dollars (\$5,000), but less than two hundred fifty thousand dollars  
17 (\$250,000), to a certified small business, including a microbusiness,  
18 or to a disabled veteran business enterprise, if the California State  
19 University obtains price quotations from two or more certified  
20 small businesses, including microbusinesses, or from two or more  
21 disabled veteran business enterprises.

22 (b) In carrying out subdivision (a), the California State  
23 University shall consider a responsive offer timely received from  
24 a responsible certified small business, including a microbusiness,  
25 or from a disabled veteran business enterprise.

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

33 SEC. 3. Section 20651.2 is added to the Public Contract Code,  
34 to read:

35 20651.2. (a) Notwithstanding any provision of law, including,  
36 but not limited to, the advertising, bidding, and protest provisions  
37 of this article and Division 7 (commencing with Section 70900)  
38 of Title 3 of the Education Code, the governing board of a  
39 community college district may award a contract for the acquisition  
40 of goods, services, or information technology that has an estimated

1 value of greater than five thousand dollars (\$5,000), but less than  
2 two hundred fifty thousand dollars (\$250,000), to a certified small  
3 business, including a microbusiness, or to a disabled veteran  
4 business enterprise, if the community college district obtains price  
5 quotations from two or more certified small businesses, including  
6 microbusinesses, or from two or more disabled veteran business  
7 enterprises.

8 (b) In carrying out subdivision (a), a community college district  
9 shall consider a responsive offer timely received from a responsible  
10 certified small business, including a microbusiness, or from a  
11 disabled veteran business enterprise.

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

20 (d)

21 (c) The definitions set forth in Section 14837 of the Government  
22 Code apply to this section.