

**AB-230 Adds New Requirements
for the California Disabled Veteran Business Enterprise (DVBE) Program**

The recent enactment of AB-230 adds certain requirements to California's Disabled Veteran Business Enterprise (DVBE) Program. As a result, there are new DVBE-related requirements (set forth below) for contracting and procurements by judicial branch entities (JBEs). For a copy of the bill's text, statutory revisions, and legislative history, please refer to:

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB230

Starting January 1, 2020, AB-230 requires that:

- a) Every awarded contract that includes a DVBE participation incentive shall contain a provision requiring the contractor to comply with all rules, regulations, ordinances and statutes that govern the DVBE Program, including, without limitation, Military and Veterans Code (MVC) section 999.5. (See Public Contract Code section 10230);
- b) A contractor shall not use a different DVBE subcontractor or supplier than the one identified in its bid or proposal, unless the JBE first approves in writing replacement by another DVBE subcontractor or supplier. (See MVC 999.5(f));
- c) Upon completion of an awarded contract that contains a commitment to achieve a DVBE goal, the JBE must require the prime contractor that entered into a subcontract with a DVBE to certify to the JBE the percentage of work each prime contractor committed to provide to each DVBE subcontractor, and, upon the JBE's request, the prime contractor must provide proof of payment to the DVBE subcontractor.

JBEs should bear in mind that the foregoing requirements will go into effect January 1, 2020. In response to AB-230 the JCC Legal Services office will be updating certain sample agreements, and plans to propose edits to the Judicial Branch Contracting Manual (in Chapter 3, Section 3.1) in the coming months.