

AN ACT relating to disabled veteran-owned businesses.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO READ AS FOLLOWS:

(1) *For purposes of this section:*

(a) *"Disabled veteran" means an individual, domiciled in Kentucky, who has served on active duty in the Armed Forces, has been separated therefrom under honorable or general conditions, and has established the present existence of a service-connected disability or is receiving compensation, disability retirements benefits, or pension because of a public statute administered by the United States Department of Veterans Affairs or Department of Defense, or was terminated from active duty by the Department of Defense because of a disability; and*

(b) *"Disabled veteran-owned business" means a business:*

1. *Where a disabled veteran has at least fifty-one percent (51%) ownership;*
2. *That is independently owned and operated;*
3. *That does not exceed the applicable size standards for its industry, as determined by the United States Small Business Administration;*
4. *That has been owned and operated by the disabled veteran for at least a full calendar or fiscal year; and*
5. *For which the disabled veteran has filed a business tax return consisting of a full calendar or fiscal year.*

(2) *The Office of Equal Employment Opportunity and Contract Compliance shall oversee a program that provides certification of a disabled veteran-owned business in order to encourage growth among businesses owned by disabled veterans within the state and assist those businesses in competing for work in*

other states that require certification by a statewide body. This certification does not provide a preference in state procurement, nor does it create a point system or set aside for disabled veteran-owned businesses.

(3) In order to apply for certification, a disabled veteran shall provide proof of his or her disability. Proof shall be in the form of Department of Defense Form DD 214, United States Department of Veterans Affairs disability letter, or other United States Department of Veterans Affairs documentation establishing a service-connected disability.

(4) The Finance and Administration Cabinet shall promulgate any administrative regulations necessary to create and manage the disabled veteran-owned business certification program, which may include but is not limited to additional certification requirements, the application process, onsite visitation by the Office of Equal Employment Opportunity and Contract Compliance, and recertification.