



**Department of General Services  
Procurement Division**

707 Third Street, Second Floor, West Sacramento, CA 95605  
(916) 375-4400 (800) 559-5529

**Broadcast Date: August 24, 2009**

---

**TO: Directors  
Procurement & Contracting Officers (PCOs)  
Purchasing Authority Contacts (PACs)**

**RE: Removal of Good Faith Effort from DVBE Contract Provisions**

---

This Broadcast Bulletin provides guidance relating to the elimination of the Good Faith Effort (GFE) as a means for bidders to satisfy Disabled Veteran Business Enterprise (DVBE) contract participation requirements. Assembly Bill 21 of the Fourth Extraordinary Session (AB4X 21) requires that if a solicitation contains a DVBE participation goal, then departments must award contracts to the lowest responsible bidder who meets the goal. The GFE provision no longer applies under this new statute. The elimination of the GFE applies to all State contracts with a DVBE participation goal.

AB4X 21 applies to solicitations issued after the bill took effect. Consequently, solicitations that were issued before 11:15 a.m. on July 28, 2009 (Implementation Date) must adhere to provisions of the law in effect prior to the Implementation Date (GFE to be considered), regardless of when the contract is awarded. Solicitations issued on or after the Implementation Date must not contain a GFE option and may only be awarded to the lowest responsible bidder who meets the stated DVBE participation goal.

Not affected:

- Solicitations not containing a DVBE participation goal
- Solicitations issued prior to the Implementation Date
- Existing contracts

If a solicitation containing a DVBE participation goal was issued after the Implementation Date and bids or proposals have been received and evaluated, award may be made if the lowest responsible bidder met the DVBE goal.

The DGS is in the process of amending the DVBE program requirements. Until such time, all solicitations containing a DVBE participation goal requirement should clearly state that the GFE is not an option to meet that goal.

For additional information see the AB4X 21 [FAQ](#).

If you have any additional questions regarding this notification, please contact:

Office of Small Business and DVBE Services  
[osdchelp@dgs.ca.gov](mailto:osdchelp@dgs.ca.gov)

Office of Policies, Procedures and Legislation  
[ppo@dgs.ca.gov](mailto:ppo@dgs.ca.gov)