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S.B. 302 (S-1): FLOOR ANALYSIS

Senate Bill 302 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Senator Virg Bernero

Committee: Local, Urban and State Affairs

CONTENT

The bill would amend the Business Opportunity Act For Persons With Disabilities to require each State department, at least once a year, to report to the Legislature regarding contracts with businesses owned by persons with disabilities. The bill also would require the Department of Management and Budget, at least once a year, to review the departments' progress in meeting the goal of awarding at least 3% of total expenditures to such businesses.

The Act makes it the goal of each principal State department to award each year at least 3% of its total expenditures for construction, goods, and services, less expenditures to sole source vendors, to businesses owned by persons with disabilities. At five-year intervals, the Department of Management and Budget (DMB) must review the progress of the departments in meeting the 3% goal, and make recommendations to the Legislature regarding continuation, and increases or decreases in the percentage goal. The bill would require the DMB to review the departments' progress and make recommendations to the Legislature at least once a year, rather than at five-year intervals. The DMB could combine its recommendations with the departmental reports.

At least once a year, each department would have to report to each house of the Legislature on all of the following for the immediately preceding 12-month period:

- -- The number of businesses owned by persons with disabilities that submitted a bid for a State procurement contract.
- -- The number of businesses owned by persons with disabilities that entered into procurement contracts with the State and the total value of those contracts.
- -- Whether the department achieved its 3% goal.

The bill is tie-barred to Senate Bill 303, which would require the DMB to give a preference to a qualified disabled veteran of up to 10% of the value of a competitively bid contract, and would make it a DMB goal to award at least 3% of its total expenditures for construction, goods, and services to qualified disabled veterans.

MCL 450.793 Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would have minimal fiscal implications related to the reporting requirements.

Date Completed: 5-11-05 Fiscal Analyst: Bill Bowerman

floor\sb302 Analysis available @ http://www.michiganlegislature.org
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