



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 303 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Senator Laura M. Toy

Committee: Local, Urban and State Affairs

CONTENT

The bill would amend the Management and Budget Act to require the Department of Management and Budget (DMB) to give a preference to a qualified disabled veteran of up to 10% of the amount of a competitively bid contract for items needed by State agencies. If the qualified disabled veteran otherwise met the requirements of the contract solicitation and with the preference were the lowest bidder, the Department would have to enter into a procurement contract with the veteran.

The bill would make it the goal of the Department to award each year at least 3% of its total expenditures for construction, goods, and services to qualified disabled veterans. The DMB could count toward its 3% yearly goal that portion of all procurement contracts in which the business entity that received the procurement contract subcontracted with a qualified disabled veteran. Each year, the DMB 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 qualified disabled veterans who submitted a bid for a State procurement contract.
- The number of qualified disabled veterans who entered into procurement contracts with the State and the total value of those contracts.
- Whether the DMB achieved the goal of allocating at least 3% of its total expenditures to disabled veterans.

"Qualified disabled veteran" would mean a business entity that is 51% or more owned by one or more veterans with a service-connected disability.

The bill is tie-barred to Senate Bill 302, which would require each State department, at least once a year, to report to the Legislature regarding contracts with businesses owned by persons with disabilities.

MCL 18.1261

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would have an indeterminate impact on State government that would depend on the number and value of contracts awarded based on the preference for qualified disabled veterans.

Date Completed: 5-11-05

Fiscal Analyst: Bill Bowerman