

Fiscal Estimate Narratives

DOT 4/1/2008

LRB Number 07-1856/3	Introduction Number AB-0924	Estimate Type Original
Description awarding state procurements to certified disabled veteran-owned businesses, providing an exemption from emergency rule procedures, and requiring the exercise of rule-making authority.		

Assumptions Used in Arriving at Fiscal Estimate

This bill gives disabled veteran owned businesses a 5% preference on procurement bids, similar to the current MBE program. This bill would also make disabled veteran owned businesses eligible for DBE grants.

Currently purchasing staff in the agency include standard boilerplate language in the bidding process explaining the preference requirements for MBE businesses. This would require drafting new language to include disabled veteran owned businesses as well. The DBE program is a federal program, and the agency does not have the discretion to add additional businesses to that grant program.

This bill would require minimum additional workload for purchasing staff. The majority of workload issues would be handled by DOA.

This bill may violate federal contracting law, as it applies to federally-funded highway projects. 23 USC 112 and 23 CFR 635.117 generally require competitive bidding for those contracts, subject to limited preference exceptions that do not include veterans.

Long-Range Fiscal Implications