

## Department of Planning and Budget 2001 Fiscal Impact Statement

1. **Bill Number** SB1212

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron** Hanger

3. **Committee** General Laws

4. **Title** Procurement; faith-based organizations.

5. **Summary/Purpose:**

Applies federal language regarding "charitable choice," enacted by Congress in the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (welfare reform), to state procurement practices. The language would make faith-based and charitable organizations equal partners in opportunities to bid on and supply services and products to public bodies without impairing their religious nature. Faith-based organizations would no longer have to separate their religious nature and symbols from their programs in order to provide services on state contract, but would have to be subject to the same audits as other vendors. Faith-based organizations would not be able to use the money for sectarian worship, instruction, or proselytization, would not be able to discriminate against clients for their religious beliefs or refusal to participate in a religious activity, and would have to provide the client with a notice that, if they object to the religious nature of the program providing them services, they can be assigned to another provider.

6. **Fiscal Impact:** See Item 8

7. **Budget amendment necessary:** No

8. **Fiscal implications:** Public bodies may incur a small administrative cost to add the nondiscrimination statement to contractual documents and to revise rules and internal procedures. These costs should be absorbed in existing operating budgets and may be offset by potential savings since this proposal permits more competition in the procurement practice.

9. **Specific agency or political subdivisions affected:** All public bodies subject to the Virginia Public Procurement Act

10. **Technical amendment necessary:** No

11. **Other comments:** None

**Date:** 02/23/01 / amk

**Document:** F:\AMK\01 FISs\SB1212H1.DOC

cc: Secretary of Administration