

## Department of Planning and Budget 2004 Fiscal Impact Statement

**1. Bill Number** HB1145

**House of Origin**    ☐ Introduced    ☒ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron**        McDonnell

**3. Committee**    General Laws

**4. Title**            Small, women, and minority-owned business participation

**5. Summary/Purpose:**

Authorizes the Governor and localities to implement remedial programs when there exists a rational basis for small business enhancement or a persuasive analysis that documents statistically significant disparity between the availability and utilization of women- and minority-owned businesses. The bill also provides that any analysis that is used by the Governor or a locality as a basis for determining the existence of discrimination based on race or gender in the awarding of contracting opportunities shall use the constitutional standards established by the United States Supreme Court in The City of Richmond v. J. A. Croson Company, 488 U.S. 469, (1985).

**6.** Fiscal impact cannot be determined (see Item 8).

**7. Budget amendment necessary:** No

**8. Fiscal implications:** This proposal provides the Governor, in the case of state agencies, and the chief executive, in the case of local governing entities, with a tool to remedy documented discrimination in the awarding of public procurement opportunities. There could be some administrative costs associated with the analyses performed to determine the existence of discrimination.

**9. Specific agency or political subdivisions affected:** All state and local public bodies

**10. Technical amendment necessary:** No

**11. Other comments:** This proposal is similar to HB 262, HB 520, and SB 598.

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cc: Secretary of Administration