

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** HB2326

<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 type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron** Athey

**3. Committee** Passed both houses

**4. Title** Department of General Services regulations; Division of Purchases and Supply; sheltered workshops.

**5. Summary/Purpose:** Requires the Department of General Services (DGS), Division of Purchases and Supply to adopt regulations that require 10 percent of state contracts for goods or services that involve the packaging of bulk supplies or the manual assemblage of goods where individual items weigh less than 50 pounds be set aside for nonprofit sheltered workshops or other nonprofit organizations that offer transitional or supported employment services serving the handicapped.

**6. Fiscal Impact Estimates are:** (See Item 8.)

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** This bill could increase both the cost and the time of delivery of goods. The awarded contractors would have to package the un-collated supplies or un-assembled goods in a manner suitable for transport to the sheltered workshop. The agency would then incur the cost of the sheltered workshop unpacking, assembly or collating, and re-packaging the goods for a final shipment. Additionally, DGS could incur some costs adopting the regulations.

**9. Specific agency or political subdivisions affected:** All state agencies.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 01/17/05 / rtb

**Document:** (DPB F:RTB/FIS/HB2326ER.DOC)

cc: Secretary of Finance  
Secretary of Administration