

**Department of Planning and Budget
2006 Fiscal Impact Statement**

1. **Bill Number** HB1226

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron** Jones, D.C.

3. **Committee** General Laws

4. **Title** Procurement contract fees for eVa; minimum fee required.

5. **Summary/Purpose:**

Requires the Department of General Services to set a minimum fee for contracts formed using the electronic public procurement program commonly known as "eVa". The minimum fee would be charged when the percentage-based fee is lower than the minimum fee. The minimum fee shall be set at a rate that will ensure eVa operates as a financially self-supporting application.

6. Fiscal Impact should be minimal. See Item 8

7. **Budget amendment necessary:** No

8. **Fiscal implications:** Any vendor registered in eVA could pay a larger fee for small orders when the currently assessed one percent fee is less than the minimum fee.

The Department of General Services (DGS) will incur some administrative costs for determining what the eVA minimum fee should be to ensure that eVA remains financially stable. Also, DGS will incur an additional workload to reregister vendors to accept the new transaction fee assessment in eVA. DGS should be able to absorb these costs in its operating budget.

The purpose in establishing a minimum fee is to generate additional revenues to make eVA a financially self-supporting activity.

9. **Specific agency or political subdivisions affected:** All vendors registered in eVA, Department of General Services.

10. **Technical amendment necessary:** No

11. **Other comments:** None

Date: 01/19/06 / amk

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cc: Secretary of Administration