

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number** HB122

<b>House of Origin</b>	<input checked="" 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 type="checkbox"/> Enrolled

**2. Patron** Marshall, R.G.

**3. Committee** General Laws

**4. Title** SWAM businesses; requires public body's procurement expenditures to include transactions therewith.

**5. Summary/Purpose:**

Requires that each public body's program facilitate the participation of small, women- and minority-owned (SWAM) businesses in procurement transactions by including a goal that 40 percent of the public body's procurement expenditures be for transactions with SWAM businesses. To count toward meeting this goal, the SWAM business must be certified by the Department of Minority Business Enterprise. Public bodies are required to file annual reports with the Department of Minority Business Enterprise detailing efforts to meet the goal of 40 percent SWAM business procurement.

**6.** Fiscal Impact should be minimal. See Item 8

**7. Budget amendment necessary:** No

**8. Fiscal implications:** This proposal requires all public bodies of the Commonwealth to adopt a 40 percent participation goal in the SWAM program regardless of location. The Governor's Executive Order 103 includes language for a goal of 40 percent of discretionary spending. Agencies may incur some minimal costs collecting and submitting this data.

**9. Specific agency or political subdivisions affected:** Department of General Services, all public bodies

**10. Technical amendment necessary:** No

**11. Other comments:** The Executive Order 103 goal applies to discretionary expenditures whereas this proposal applies the goal to all procurement expenditures.

**Date:** 01/12/06 / amk

**Document:** G:\Efis 2006\Hb122.Doc Al Kruschwitz

**cc:** Secretary of Administration