

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB1386

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Miller, J.H.

3. Committee: General Laws

4. Title: Service-disabled veteran-owned small business programs.

5. Summary: This bill aligns Virginia's eligibility requirements for participation in the Service-Disabled Veteran-Owned Small Business Program with federal eligibility requirements set by the U.S. Department of Veterans Affairs.

6. Fiscal impact estimates: Preliminary. See Item #8.

7. Budget amendment necessary: Yes, Item 88.

8. Fiscal implications: This bill will require the Department of Veterans Services (DVS) to certify (upon request of a veteran) that an individual holds a certain disabled status. The bill expands the eligibility for the program from those with a disability rating of 50 percent or greater or 10 percent or greater if combat related, as fixed by the United States Veterans Administration, to those with a disability rating. To certify that a veteran does or does not hold special disabled veteran status, his/her records are pulled from files at the Roanoke office of the United States Department of Veterans Affairs and reviewed by DVS.

DVS can accommodate the provisions of this bill within existing resources, assuming that approximately 200 or fewer applications are received annually. Additional administrative positions may be required should the workload impact DVS operations to a greater degree or if there is an initial “rush” by the increased pool of veteran business owners to get certified.

The Department of Minority Business Enterprise (DMBE) has not yet implemented the Service Disabled Veteran program, though it became law following the 2007 Session. No veterans have yet been certified under the present criteria. Despite an offer of one-time resource assistance from DVS, DMBE cites the need for approximately \$20,000 in technological changes to the agency’s certification database and \$71,424 annually to fund a certification officer to support the program.

9. Specific agency or political subdivisions affected: Department of Veterans Services, Department of Minority Business Enterprise.

10. Technical amendment necessary: No.

11. Other comments: This bill is a companion to SB 680.

Date: 1/16/2008/jlv

Document: G:\08-10\FIS\HB1386.Doc Janet Vogelgesang

cc: Secretary of Public Safety
Secretary of Administration