## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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## ORIGINAL

Bill Number:HB2751H1Patron:FeggansBill Title:Virginia Public Procurement Act; discrimination prohibited; military family-owned<br/>businesses.

**Bill Summary:** Prohibits a public body from discriminating against military family-owned businesses, as defined in the bill, in the solicitation or awarding of contracts. The bill further requires public bodies to facilitate the participation of military family-owned businesses in procurement transactions.

Budget Amendment Necessary:NoItems Impacted:Explanation:There is an absorbable fiscal impact to the Department of General Services (DGS) internal<br/>service fund for the statewide electronic procurement system, eVA.

**Fiscal Summary:** The Department of General Services (DGS) indicates an estimated one-time nongeneral fund fiscal impact of \$30,720 for required updates to the Commonwealth's statewide electronic procurement system, known as eVA. This impact does not require a budget amendment.

## Nongeneral Fund Expenditure Impact:

Agency	FY2025	FY2026	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
Department of						
General		\$30,720				
Services						
TOTAL		\$30,720				

**Fiscal Analysis:** The legislation will require technical enhancements and changes to the Commonwealth's statewide electronic procurement system (eVA) in order to accommodate military family-owned business expenditure reporting. Vendor tables and reports will need to be updated to carry the military family-owned business organization certification.

This bill's provisions apply to Department of Small Business and Supplier Diversity (DSBSD), Department of General Services (DGS) and all public bodies who follow the VPPA. This bill does not apply to higher education institutions operating under Management Agreements and Memoranda of Understanding in the operational area of procurement (currently fourteen Level III and Level II institutions). Additionally, the bill will not apply to local governments that have exempted themselves from the VPPA as authorized by V. Code §2.2-4343 (9, 10, 11).

Other: