

Legislative Analysis



DMB: DISABLED VET CONTRACTS

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Senate Bill 751

Sponsor: Sen. John Pappageorge

House Committee: Military and Veterans Affairs and Homeland Security

Senate Committee: Senior Citizens and Veterans Affairs

Complete to 1-29-08

A SUMMARY OF SENATE BILL 751 AS PASSED BY THE SENATE 11-28-07

The Management and Budget Act currently says that it is the goal of the Department of Management and Budget to award not less than three percent of its total expenditures for construction, goods, and services to qualified disabled veterans. Senate Bill 751 would raise the goal to five percent.

Under the act, a "qualified disabled veteran" is defined to mean a business entity that is 51 percent or more owned by one or more veterans with a service-connected disability.

MCL 18.1261

BACKGROUND INFORMATION:

One contract valued at \$192,000 was awarded to a qualified disabled veteran in Fiscal Year 2005-06, according to information from the Senate Fiscal Agency. Of 32 contracts put out to bid that fiscal year, 11 received bids from qualified disabled veterans, and one was awarded to a disabled veteran firm (a result that met the three percent goal). A five percent goal for that year would have required two contracts to have been awarded.

FISCAL IMPACT:

This bill would increase the minimum goal from three percent to five percent of total expenditures for state construction, goods and services awarded to Michigan qualified disabled veterans. There would be no fiscal impact on local government.

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