

OFFICE OF FISCAL ANALYSIS

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SB-344

AN ACT CONCERNING STATE CONTRACTING PRICE
PREFERENCES FOR VETERAN-OWNED BUSINESSES.

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 23 \$ | FY 24 \$ |
|-----------------|-------------------------------|-----------|-----------|
| Various | All Funds - Potential Cost | See Below | See Below |

Note: All Funds=All Funds

Municipal Impact: None

Explanation

This bill allows the Department of Administrative Services (DAS) to give up to a 10% price preference to veteran-owned businesses when awarding open market orders or contracts to buy goods or services. (A price preference is the percentage by which a bid may be reduced when awarding a contract to the lowest qualified bidder.)

A 10% price preference for veteran-owned businesses may increase the cost of certain contracts (or goods or services) if contracts that would otherwise be awarded to the lowest qualified bidder are awarded to veteran-owned businesses instead.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.