

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 882** HLS 16RS 1205
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 31, 2016	10:32 AM	Author: ARMES
Dept./Agy.: Statewide		Analyst: Zachary Rau
Subject: 10% of Evaluation Points for Veterans in RFPs		

PUBLIC CONTRACT/BIDS EG1 SEE FISC NOTE GF EX See Note Page 1 of 1

Provides for the percentage of total evaluation points awarded to certain veterans in requests for proposals for state procurements and public contracts

Present law authorizes 10% of the total evaluation points in a Request For Proposal (RFP) be awarded to offerors who are certified veterans and service-connected disabled veteran-owned small businesses. Proposed law makes awarding of the 10% of the total evaluation points on RFPs mandatory unless it jeopardizes funding for the project. Proposed law shall not apply to design-build or construction manager at risk methods of construction.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law makes awarding 10% of the total evaluation points on a Request For Proposal (RFP) associated with certified veteran-owned firms mandatory rather than discretionary, provided the inclusion does not jeopardize funding for procurement. RFP scoring will be altered to the extent that state agencies, if any, currently do not include the 10% of evaluation points for veteran-owned firms.

The Division of Administration (DOA), who manages RFPs for professional, personal, consulting, and social services (PPCS), does not anticipate a material cost increase associated with a mandatory award 10% of total evaluation points for RFPs, as the division reports that it already includes this provision during the RFP process.

DOA further reports that certain entities are exempted from their oversight during the RFP process, such as LSU, the Recovery School District, the 10 Human Service Districts, and the Patient Compensation Fund. Currently these entities include the 10% for veteran-owned firms in their RFP scoring. Furthermore, DOA indicates that state agencies may conduct their own RFP process for services that are not PPCS-related. To the extent state agencies may not currently apply the 10% for veteran-owned firms in their RFP scoring, they will be required to do so under the provisions of proposed law.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House

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|---|--|
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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