

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 137

DATE: January 26, 2007

Version: As Introduced

Authors: Haws, Severson

Subject: Veterans; small businesses; state agency procurement contracts

Analyst: Jim Cleary, 651-296-5053

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill broadens the authority of the Commissioner of Administration to designate *targeted group businesses* to include veteran-owned small businesses, for purposes of providing a preference in the awarding of procurement contracts by state agencies, the University of Minnesota, and most metro-area agencies, as well as for awarding highway construction contracts by MnDOT.

Section

1 **Designation of targeted groups.** Broadens the designation of *targeted group businesses* for purposes of providing a bid-price preference in state contracting, to include small businesses owned by military veterans. Currently, the Commissioner of Administration may designate as *targeted group businesses* those businesses that are majority-owned by:

- § women;
- § persons with a substantial physical disability; and/or
- § specific minorities.

The bill would allow the Commissioner to add to the list small businesses that are majority-owned by veterans.

Left unchanged by the bill is the current 6% pricing preference for *targeted group businesses*. Under current law, this preference applies to procurement contracts awarded by state agencies, the University of Minnesota, and most metro-area agencies, as well as to state transportation construction contract awards by MnDOT.

Effective date. Applies to contract solicitations for contract bids issued on and after July 1, 2007.