

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Neutral

BILL NUMBER: SB 159
AUTHOR: M. Wyland

BILL SUMMARY: Prompt Payment Act: Disabled Veteran Businesses

The bill amends the definition of a small business under the Prompt Payment Act to include a disabled veteran business enterprise, as defined under the Disabled Veteran Business Program.

FISCAL SUMMARY

To the extent the state agencies and Controller pay in a timely manner, there is no impact to the General Fund. If payments to the disabled veteran business enterprises are late, there would be an unknown impact on the General Fund, probably minor.

COMMENTS

Existing law requires state agencies to pay invoices for goods or services as specified or be subject to a late payment penalty. Current law also requires the State Controller to issue payment as specified or be subject to a late payment penalty. Existing law specifies the late penalty payment rate and provides for specific calculations for small business entities.

This bill would define a disabled veteran business enterprise, as defined under the Disabled Veteran Business Program, as a small business entity for calculating the late penalty payment rate.

The author's office indicates that the bill is proposed to give certified disabled veteran business enterprises the same prompt payment protections that are now provided for certified small businesses.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)									Fund Code
	SO	(Dollars in Thousands)								
	LA	CO	PROP	FC	2006-2007	FC	2007-2008	FC	2008-2009	
RV	98	FC	2006-2007	FC	2007-2008	FC	2008-2009	FC	2008-2009	Fund Code
9990/Var Depts	SO	No	-----	See Fiscal Summary	-----	-----	-----	-----	-----	0001
9990/Var Depts	SO	No	-----	See Fiscal Summary	-----	-----	-----	-----	-----	0494
9990/Var Depts	SO	No	-----	See Fiscal Summary	-----	-----	-----	-----	-----	0988

Fund Code	Title
0001	General Fund
0494	Other Unallocated Special Funds
0988	Various Other Unallocated NGC Funds

Analyst/Principal (0221) J. McGuinn	Date	Program Budget Manager Todd Jerue	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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