067682268 1 **HOUSE BILL NO. 1122** Offered January 11, 2006 2 3 Prefiled January 11, 2006 4 A BILL to amend and reenact §§ 2.2-1111, 2.2-2622, and 2.2-5513 of the Code of Virginia, relating to 5 the procurement of services by certain state agencies; commercial activities. 6 Patron-Cline 7 8 Referred to Committee on General Laws 9 10 Be it enacted by the General Assembly of Virginia: 1. That § 2.2-1111, 2.2-2622, and 2.2-5513 of the Code of Virginia are amended and reenacted as 11 12 follows: 13 § 2.2-1111. Purchases to be made in accordance with the Virginia Public Procurement Act 14 (§ 2.2-4300 et seq.) and regulations of Division; exempt purchases. 15 A. All purchases made by any department, division, officer or agency of the Commonwealth shall be 16 made in accordance with the Virginia Public Procurement Act (§ 2.2-4300 et seq.) and such regulations as the Division may prescribe. 17 B. The regulations adopted by the Division shall: 18 19 1. Include a purchasing plan that shall be on file at the Division and shall be available to the public 20 upon request: 21 2. Require that before any public body procures any computer system, equipment or software, it shall 22 consider whether the proposed system, equipment or software is capable of producing products that 23 facilitate the rights of the public to access official records under the Freedom of Information Act 24 (§ 2.2-3700 et seq.) or other applicable law; 25 3. Require state public bodies to procure only shielded outdoor light fixtures and provide for waivers of this requirement when the Division determines that a bona fide operational, temporary, safety or 26 27 specific aesthetic need is indicated or that such fixtures are not cost effective over the life cycle of the 28 fixtures. For the purposes of this subdivision, "shielded outdoor light fixture" means an outdoor light 29 fixture that is (i) fully shielded so that no light rays are emitted by the installed fixture above the 30 horizontal plane or (ii) constructed so that no more than two percent of the total luminaire lumens in the 31 zone of 90 to 180 degrees vertical angle is permitted, if the related output of the luminaire is greater than 3200 lumens. In adopting regulations under this subdivision, the Division shall consider national 32 33 standards for outdoor lighting as adopted by the Illuminating Engineering Society of North America 34 (IESNA). 35 For any project initiated on or after July 1, 2003, the Virginia Department of Transportation shall 36 design all lighting systems in accordance with current IESNA standards and recommended practices. The 37 lighting system shall utilize fixtures that minimize glare, light trespass, and skyglow, all as defined by the IESNA, while still providing a comfortable, visually effective, safe, and secure outdoor environment 38 39 in a cost-effective manner over the life cycle of the lighting system. 4. Establish the conditions under which a public body may use, as a basis for the procurement of 40 41 goods and nonprofessional services, a particular vendor's contract-pricing that has been negotiated and accepted by the U.S. General Services Administration; and 42 5. Establish procurement preferences for products containing recycled oil (including reprocessed and 43 rerefined oil products) and recycled antifreeze no later than December 31, 2002; and 44 45 6. Require all state agencies, except as provided in subsection D of § 2.2-5513, to procure services 46 from the private sector if the services are listed as a commercial activity on the commercial activities 47 list developed by the Commonwealth Competition Council in accordance with § 2.2-2622. The provisions of this subdivision shall not apply to the hiring of law-enforcement personnel of any state agency or 48 49 institution. 50 C. The Division may make, alter, amend or repeal regulations relating to the purchase of materials, 51 supplies, equipment, nonprofessional services, and printing, and may specifically exempt purchases 52 below a stated amount or particular agencies or specified materials, equipment, nonprofessional services, 53 supplies and printing. 54 § 2.2-2622. Duties of Council; acceptance of gifts and grants; annual report. 55 A. The Council shall: 1. Examine and promote methods of providing a portion or all of select government-provided or 56 57 government-produced programs and services through the private sector by a competitive contracting

program, and advise the Governor, the General Assembly, and executive branch agencies of the

HB1122

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59 Council's findings and recommendations.

60 2. Develop an institutional framework for a statewide competitive program to encourage innovation 61 and competition within state government.

62 3. Establish a system to encourage the use of feasibility studies and innovation to determine where 63 competition could reduce government costs without harming the public.

64 4. Monitor the products and services of state agencies to bring an element of competition and to 65 ensure a spirit of innovation and entrepreneurship to compete with the private sector.

5. Advocate, develop and accelerate implementation of a competitive program for state entities to 66 ensure competition for the provision or production of government services, or both, from both public 67 68 and private sector entities.

6. Establish approval, planning, and reporting processes required to carry out the functions of the 69 70 Council.

71 7. Determine the privatization potential of a program or activity; perform cost/benefit analyses; and conduct public and private performance analyses. The Secretary of Finance shall independently certify 72 73 the results of the comparison.

74 8. Devise, in consultation with the Secretary of Finance, evaluation criteria to be used in conducting 75 performance reviews of any program or activity that is subject to a privatization recommendation.

9. To the extent practicable and to the extent that resources are available, make its services available 76 77 for a fair compensation to any political subdivision of the Commonwealth.

78 10. Review the practices of government agencies and nonprofit organizations that may constitute 79 inappropriate competition with private enterprise. The Council shall develop proposals for (i) preserving 80 the traditional role of private enterprise; (ii) encouraging the expansion of existing, and the creation of 81 new, private enterprise; and (iii) monitoring inappropriate competition by nonprofit organizations.

B. The commercial activities list developed by the Council in accordance with this section shall be 82 83 updated annually.

84 C. The Council may apply for, accept, and expend gifts, grants, or donations from public or private 85 sources to enable it to better carry out its objectives. No entity that provides a gift, donation or grant shall be eligible for a contract award that results from action of a Council recommendation. 86

87 C.D. The Council shall not impose unreasonable burdens or costs in connection with requests of 88 agencies.

89 D.E. The Council shall annually by December 1 report its findings and recommendations to the 90 Governor, the General Assembly and the Small Business Commission created pursuant to § 30-182. The 91 Council may make interim reports to the Governor, the General Assembly and the Small Business 92 Commission as it deems advisable. 93

§ 2.2-5513. Responsibilities of Governor to ensure efficiency in government.

94 A. The Governor shall cause to be conducted an examination of the commercial activities that are 95 being performed by state employees at state agencies and institutions to ensure such activities are being accomplished in the most cost-efficient and effective manner. 96

97 B. The examination required by subsection A shall be completed at least once in every two-year 98 period and may be conducted entirely by a commercial source through a solicitation process as provided 99 in the Virginia Public Procurement Act (§ 2.2-4300 et seq.) or the Public-Private Education Facilities 100 and Infrastructure Act of 2002 (§ 56-575.1 et seq.).

101 C. The examination required by subsection A shall consider at least three commercial activities as the 102 Governor or the commercial source may identify.

103 D. Upon determination that outsourcing a commercial activity may result in reduced costs or otherwise provide a measurable benefit to the Commonwealth and to assure such activities are being 104 105 accomplished in the most cost efficient and effective manner, the Governor shall cause that commercial activity to be competed in accordance with the Virginia Public Procurement Act or by using the 106 107 processes described in the Public-Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 108 et seq.). However, upon a written determination made in advance by a state agency that the 109 procurement of services from a commercial source is neither practicable nor fiscally advantageous, such 110 service may continue to be performed by the state agency.