

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number HB994

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Brink

3. Committee General Laws

4. Title Virginia Public Procurement Act; purchase of certain insurance in construction projects.

5. Summary/Purpose: Allows a public body to purchase an owner-controlled insurance program in connection with any public construction contract. The bill defines owner-controlled insurance program and provides that no contractor or subcontractor can be required to provide insurance coverage for a construction project if that specified coverage is included in an owner-controlled insurance program in which the contractor or subcontractor is enrolled.

6. No Fiscal Impact. See item 8, below.

7. Budget amendment necessary: No.

8. Fiscal implications: The bill would only have an impact on the Commonwealth should it elect to provide owner-controlled insurance programs for construction projects. The Commonwealth currently offers no such program.

9. Specific agency or political subdivisions affected: Department of the Treasury.

10. Technical amendment necessary: No.

11. Other comments: In August 2004, at the request of the Department of the Treasury, Marsh & McLennan Companies performed a feasibility study of establishing an owner controlled insurance program in the Commonwealth.

This bill is a companion to SB 271.

Date: 01/24/06/tmw

Document: G:\2006 Session\Fiscal Impact Statements\Hb994.Doc Toni Walker

cc: Secretary of Finance