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SENATE BILL NO. 506

AMENDMENT IN THE NATURE OF A SUBSTITUTE (Proposed by the Senate Committee on Privileges and Elections on February 9, 2010)

(Patron Prior to Substitute—Senator Smith)

A BILL to amend the Code of Virginia by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3, relating to political contributions; prohibition during procurement process.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3 as follows:

§ 24.2-945.3. Contributions; prohibition during procurement process.

A. No bidder or offeror who has submitted a bid or proposal to a state agency for the award of a public contract pursuant to the Virginia Public Procurement Act (§ 2.2-4300 et seq.), the Public-Private Transportation Act of 1995 (§ 56-556 et seq.), or the Public-Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.), no individual who is a controlling person of such a bidder or offeror, and no person acting on behalf of such a bidder or offeror shall make a contribution of money or other thing of value or make an express or implied promise to make a contribution to any Governor, his campaign committee, his inaugural committee, or his political action committee during the period between the submission of the bid or proposal and the award of the public contract.

The provisions of this section shall apply only for public contracts where the stated or expected value of the contract is \$5 million or more. The provisions of this section shall not apply to contracts awarded as the result of competitive sealed bidding as defined in § 2.2-4301.

B. Any person who violates this section shall be subject to a civil penalty of up to two times the amount of the contribution. The attorney for the Commonwealth shall initiate civil proceedings to enforce the civil penalties. Any civil penalties collected shall be payable to the State Treasurer for deposit to the general fund.

C. For purposes of this section, a "controlling person" means an individual who is an officer, director, or partner, or who occupies a similar status or performs a similar function, of any legal or commercial entity, or any individual who possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of any legal or commercial entity.