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 **HOUSE BILL NO. 1067** 

Offered January 11, 2012 Prefiled January 11, 2012

A BILL to amend and reenact § 2.2-4366 of the Code of Virginia, relating to the Virginia Public Procurement Act; alternative dispute resolution.

Patron—Hugo

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-4366 of the Code of Virginia is amended and reenacted as follows:

§ 2.2-4366. Alternative dispute resolution.

Public A. Except as provided in subsection B, public bodies may enter into agreements to submit disputes arising from contracts entered into pursuant to this chapter to arbitration and utilize mediation and other alternative dispute resolution procedures. However, such procedures entered into by the Commonwealth, or any department, institution, division, commission, board or bureau thereof, shall be nonbinding and subject to § 2.2-514, as applicable. Alternative dispute resolution procedures entered into by school boards shall be nonbinding.

B. Contractual claims submitted under § 2.2-4363 related to a construction contract entered into by or on behalf of the Virginia Community College System (the System), for which the System has not made a final decision in the time specified in the contract or in § 2.2-4363, shall be submitted for arbitration, mediation, or other nonbinding alternative dispute resolution procedures. Nothing in this section shall be construed to limit the contractor's right to institute immediate legal action pursuant to § 2.2-4364, provided that if a contractual claim is subject to this subsection, then no legal action shall be filed until at least 60 days after the matter has been submitted to such nonbinding alternative dispute resolution procedures.

2. That the provisions of this act shall apply only to contracts entered into on or after July 1, 2012.