

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: HB257

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: Hope

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; definitions; responsible bidder or offeror.

5. Summary: Clarifies the definition of "responsible bidder" or "offeror" in the procurement act to provide that a determination of whether a bidder or offeror is responsible shall include a consideration of the bidder's or offeror's previous experience.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary; fiscal impact is indeterminate. See Item 8.

8. Fiscal Implications: The bill includes consideration of a bidder's or offeror's previous experience in the definition of a responsible bidder or offeror. As currently written, public bodies may be required to consider all bidders and offerors without previous experience non-responsible, which would make them ineligible to receive an award. According to the Department of General Services, the process of declaring a vendor non-responsible extends, at a minimum 10 business days, the bid evaluation time before an award is made, which would add to the procurement administration workload of agencies. It could also potentially deter otherwise qualified contractors that start new businesses from competing.

9. Specific Agency or Political Subdivisions Affected: All state and local public bodies unless the body has received an exemption from the VPPA, such as through the Higher Education Restructuring Act or the Appropriation Act.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/31/2018