Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** HB2071

House of Origin	☒	Introduced	☐	Substitute	☐ Engrossed
Second House	☐	In Committee	☐	Substitute	☐ Enrolled

2. **Patron:** John J. Bell

3. **Committee:** General Laws

4. **Title:** Virginia Public Procurement Act; job order contracting, limitations.

5. **Summary:** This bill changes the maximum allowable sum of all jobs performed in a one-year contract term for job order contracts by increasing such maximum from the current amount of $5 million to $7 million on July 1, 2019, and providing for an adjustment on July 1 of each year thereafter calculated as the maximum threshold amount from the previous year multiplied by the annual inflation rate in the most recent Construction Cost Index (CCI) for the 20-city average published in the Engineering News-Record (ENR). The bill also provides an exception to allow job order contracting in the case of safety improvements or traffic calming measures that have been recommended as part of a professional engineering analysis and approved or endorsed by VDOT.

6. **Budget Amendment Necessary**: No

7. **Fiscal Impact Estimates:** No state fiscal impact.

8. **Fiscal Implications:** This bill is not expected to have a state fiscal impact.

9. **Specific Agency or Political Subdivisions Affected:** This bill, as written, applies to all public bodies subject to the Virginia Public Procurement Act (VPPA). This bill does not apply to higher education institutions operating under Management Agreements and Memoranda of Understanding in the operational area of procurement (currently eleven Level III and Level II institutions).

10. **Technical Amendment Necessary:** No

11. **Other Comments:** None

Date: 1/15/19