Department of Planning and Budget
2013 Fiscal Impact Statement

1. **Bill Number:** SB990

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

2. **Patron:** Miller

3. **Committee:** General Laws and Technology

4. **Title:** Virginia Public Procurement Act; bid match preference for Virginia businesses.

5. **Summary:** The bill provides a bid match preference for Virginia business. Under the bill, a Virginia business has an opportunity to match the lowest bid of an out-of-state bidder if the bid of a Virginia business is within five percent of the lowest bid of an out-of-state bidder.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Indeterminate. See item 8.

8. **Fiscal Implications:** The requirements in the bill will likely place additional administrative burden and increased costs on all public bodies falling under the Virginia Public Procurement Act. Also, delays in procurements presented by the bill will delay business opportunities to vendors potentially impacting cash flow, vendor cost estimates, availability of product, and production capacity, particularly for small, woman-owned and minority-owned businesses.

9. **Specific Agency or Political Subdivisions Affected:** All public bodies except Level II and Level III Institutions of Higher Education operating under Memorandums of Understanding and Management Agreements, respectively. These institutions are not subject to the Virginia Public Procurement Act.. Christopher Newport University, the Virginia Community College System and its twenty three Community Colleges are subject to the Virginia Public Procurement Act but this bill would not apply to their Capital Outlay procurements per their Memorandums of Understanding. The Level II and Level III Institutions of Higher Education account for a large percentage of the procurement dollars in the Commonwealth.

10. **Technical Amendment Necessary:** No

11. **Other Comments:** The bill is identical to House Bill 1951.

Date: 1/24/13