

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: HB1790 ER

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|------------------------|---------------------------------------|-------------------------------------|--|
| House of Origin | <input type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input checked="" type="checkbox"/> Enrolled |

2. Patron: Massie

3. Committee: Passed Both Houses

4. Title: Prohibition on payments without an appropriation; prohibition on IOUs.

5. Summary: Prohibition on payments without an appropriation; prohibition on IOUs. Prohibits a state agency or official from attempting, guaranteeing, or purporting to pay (i) for a good or service or (ii) a debt unless the General Assembly has appropriated funds to pay the same. The prohibition on payment does not apply to payments required by federal law or if funds are lawfully available. The bill also prohibits a state agency or official from furnishing an IOU in exchange for any good or service, as a means to pay for any good or service, or in lieu of a payment on a debt.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. No State Fiscal Impact.

8. Fiscal Implications: This bill prohibits state agencies from furnishing IOUs in exchange for goods or services as a means of payment. It also prohibits payments without appropriation. Currently, §4-1.01.a., Chapter 3 establishes appropriations requirements, and portions of the Virginia Public Procurement Act (§ 2.2-4347 through § 2.2-4356) codify prompt payment requirements.

9. Specific Agency or Political Subdivisions Affected: All state agencies

10. Technical Amendment Necessary: No.

11. Other Comments:

Date: 2/24/15

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