

REVISED 2/5/15

**Department of Planning and Budget
2015 Fiscal Impact Statement**

1. Bill Number: HB1917

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: LeMunyon

3. Committee: General Laws

4. Title: Certain contracts between governmental agencies prohibited.

5. Summary: Certain contracts between governmental agencies prohibited. Prohibits contracts between governmental agencies for the procurement of goods or services that are on the commercial activities list. The bill defines commercial activities list and governmental agency.

6. Budget Amendment Necessary: Unknown

7. Fiscal Impact Estimates: Indeterminate (see Item 8)

8. Fiscal Implications: This bill amends the procurement process by requiring state agencies to search for commercial activities provided by the private sector from a list developed as replacement for services provided by contracts with other state agencies. The commercial activities list covers many services currently being accomplished by state agencies with state resources. The commercial activities list was developed in the 1990's to determine which activities performed by state agencies could be privatized.

The bill would impact how the state currently operates services through the use of internal service funds which allows central service agencies to provide services to other state agencies, institutions, or other governmental units on a cost-reimbursed basis. Services provided by these agencies through internal service funds or other similar arrangements that would be impacted by this bill include but are not limited to maintenance of state buildings, human resources activities, payroll, as well as the current practice for providing information technology functions through the Virginia Information Technologies Authority (VITA).

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

10. Technical Amendment Necessary: No