

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB306

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: Watts

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; preference for businesses participating in Apprenticeship.

5. Summary: Authorizes a public body to give preference to the lowest responsive and responsible bidder (i) who is a resident of Virginia, (ii) who participates in the Virginia Registered Apprenticeship program administered by the Virginia Department of Labor and Industry, and (iii) whose bid is within three percent of the lowest bid price.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: The impact of this bill is indeterminate. The bill is permissive and would allow public bodies to give preference to bidders residing in Virginia and participating in the Virginia Registered Apprenticeship program if their bid is within three percent of the lowest bid. In instances where this preference is applied, public bodies would pay up to three percent more for the goods and services being procured.

The preference allowed by this bill for Virginia bidders could lead other states to reciprocate against Virginia businesses with like in-state programs, according to the Department of General Services. If reciprocity is imposed on Virginia businesses by other states, it could affect out-of-state sales.

The Virginia Department of Labor and Industry administers the Virginia Registered Apprenticeship program and could be affected if the bill were to encourage increased program participation. However, any such impact is indeterminate and would depend on the number of new sponsorships or apprenticeships.

9. Specific Agency or Political Subdivisions Affected: The Virginia Department of Labor and Industry, Department of General Services, and 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