Department of General Services
2019 Fiscal Impact Statement

1. **Bill Number:** HB1632

    House of Origin   ☒ Introduced   ☐ Substitute   ☐ Engrossed

    Second House   ☐ In Committee   ☐ Substitute   ☐ Enrolled

2. **Patron:** Cole

3. **Committee:** General Laws

4. **Title:** Additional method of procurement added to VPPA: Multiple award indefinite delivery/indefinite quantity contract (MAIDIQ contract)

5. **Summary:** This bill adds multiple award indefinite delivery/indefinite quantity contracting as an allowable method of procurement for public bodies under the Virginia Public Procurement Act (§ 2.2-4300 et seq.).

6. **Budget Amendment Necessary**: No

7. **Fiscal Impact Estimates:** Indeterminate- See Item 8

8. **Fiscal Implications:** The fiscal impact of this bill is indeterminate. This bill would allow public bodies to use an additional method of procurement. If this method is used the fiscal implications will be unknown for public bodies when they are required to purchase a minimum amount of goods or services as specific in the contract. This bill is requiring public bodies to commit to buying a minimum amount of goods/services in a contract even if the public body no longer needs the minimum amount. The bill also requires public bodies to state a maximum amount in which they will buy under the contract which is restrictive and will result in public bodies having to resolicit for the same goods/services prematurely if they reach the maximum order amount.

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). Additionally, the bill will not apply to local governments that have exempted themselves from the VPPA as authorized by Va. Code §2.2-4343 (9,10,11).

10. **Technical Amendment Necessary:** None

11. **Other Comments:** None

Date:

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