

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB1821

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Delaney

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; debarment for nonpayment of unemployment taxes.

5. Summary: This bill, if passed, prohibits state agencies from contracting for goods and services from a source that is required to collect unemployment taxes but fails or refuses to do so. The bill prohibits such contracts with any affiliates of such source and requires the Virginia Employment Commission to make a determination of whether a source is a prohibited source. The bill states that any source that fails to remit unemployment taxes for more than 10 covered employees shall be a prohibited source for a period of two years.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Indeterminate, See Item 8.

8. Fiscal Implications: The fiscal impact of this bill is indeterminate. It is not known how many nongovernmental sources will be on the prohibited list. It may result in reduced competition that could result in increased cost. However, it may result in collection of unpaid unemployment taxes.

9. Specific Agency or Political Subdivisions Affected: This bill as written, applies to any authority, board, department, instrumentality, institution, agency or other unit of state government that is subject to the VPPA. It does not apply any public institution of higher education or any county, city or town or any local or regional governmental authority.

10. Technical Amendment Necessary: No.

11. Other Comments: None