

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: HB122

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: Carroll Foy

3. Committee: Committee Referral Pending

4. Title: Project labor agreements; public procurement.

5. Summary: Authorizes any state or local government, when engaged in procuring products or services or letting contracts for construction, manufacture, maintenance, or operation of public works, to require bidders to enter into or adhere to project labor agreements on the public works projects.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: This legislation would allow government agencies to include in bid specifications, project agreements, or other controlling documents a requirement that bidders, offerors, contractors, or subcontractors enter into, adhere to, become, or remain signatories to project labor agreements. The inclusion of those requirements would be discretionary on the part of the issuing government agency and as such do not generate a fiscal impact at this time. Should government agencies opt to include such requirements in contracts or procurements, the fiscal impact is indeterminate and may impact the available pool of bidders/contractors for projects, decreasing competition.

9. Specific Agency or Political Subdivisions Affected: All public bodies subject to the Virginia Public Procurement Act (VPPA) unless the body has received an exemption from the VPPA, such as through the Higher Education Restructuring Act. This bill will not apply to local governments who have exempted themselves from the VPPA.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is similar to HB358.

Date: January 16, 2020
File: HB122