

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** HB133

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:** Miyares

**3. Committee:** Communications, Technology, and Innovation

**4. Title:** Virginia Public Procurement Act; professional and information technology project services contract; verification of work.

**5. Summary:** Requires state agencies contracting for professional and information technology project services to include provisions in such contracts that require contractors to install software that allows for verification of the number of hours worked on a project using a computer. The bill requires such software to be procured by the contractor and provides that data collected belongs to the contractor; however, the contractor is required to provide access to data to the contracting state agency under certain terms and for a period of seven years.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Indeterminate, see Item 8.

**8. Fiscal Implications:** This legislation would require certain state contractors to use verification software to demonstrate that the hours billed for work under a contract that is performed on a computer are legitimate. If contractors are billing for hours that are not consistent with the contract, the agency may experience savings, however, any savings amount is currently indeterminate as it would be dependent on the prevalence of non-legitimate billed hours. This legislation may also result in increased costs for state agencies' contracts, as contractors may incorporate the costs of the software and compliance into their bids or contract rates. The net impact of these potential costs and savings is currently indeterminate.

The Virginia Information Technologies Agency (VITA) indicates that this legislation may have direct cost impacts on state agencies, as some contractors use Commonwealth-owned/leased devices and as such, the verification software would need to be installed on those devices. VITA further states that the legislation may impact the pool of eligible contractors that bid on state contracts, which could affect the costs to state agencies.

**9. Specific Agency or Political Subdivisions Affected:** All state agencies subject to the VPPA

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** This legislation is similar to HB680 and HB685.

Date: January 15, 2020

File: HB133