

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: HB1488

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: Hudson

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; definitions; best value; clarification.

5. Summary: Modifies the definition of “best value” under the Virginia Public Procurement Act to indicate that the circumstances under which goods are produced, or services are rendered, are an aspect of quality and elements of those goods and services that may be relevant to a public body's needs. The bill further clarifies that elements may include, but are not limited to, minimum employee wages or the specific labor practices agreed to by the responsive bidder.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: It is currently indeterminate if this bill will have fiscal implications. Public bodies would be able to include such aspects in their solicitations, which may impact the available pool of bidders or offerors, which in turn could impact the costs of procurements. Currently under the Virginia Public Procurement Act, best value concepts may only be considered when procuring goods and nonprofessional services and the criteria, factors, and basis for consideration of best value must be stated in the procurement solicitation.

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: No.

11. Other Comments: None.

Date: January 27, 2020
File: HB1488