

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1222

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: DeSteph

3. Committee: General Laws and Technology

4. Title: Virginia Public Procurement Act; purchase of personal protective equipment.

5. Summary: Requires a state agency, whenever purchasing personal protective equipment (PPE) for public use, to purchase such PPE from a Virginia-based company or manufacturer or a manufacturer that uses materials made in the United States. The bill provides that if a state agency is unable to purchase PPE from such company or manufacturer, it may purchase from another company or manufacturer, pending the results of independent laboratory testing of the PPE.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: The impact of this bill is indeterminate. The bill establishes an in-state procurement preference for purchases of PPE, with purchases from other U.S.-based companies or manufacturers allowed if PPE from a Virginia-based entity is unavailable. Restrictions on available suppliers, generally, may impact the pool of bidders and may impact the price of goods procured. Additionally, the procurement laws of some states would allow reciprocal treatment of in-state preference to be imposed on Virginia businesses when competing for procurements in those states. If reciprocity is imposed on Virginia businesses by other states, it could affect out-of-state sales.

9. Specific Agency or Political Subdivisions Affected: This bill as written applies to all state agencies subject to the Virginia Public Procurement Act (VPPA). This bill does not apply to high education institutions operating under Management Agreements and Memoranda of Understanding in the operational area of procurement (currently eleven Level III and Level II institutions).

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: January 19, 2021

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