

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: HB2450

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Campbell, J.L.

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; construction management; construction manager allowed to bid.

5. Summary: Provides that construction management contracts of state public bodies, local public bodies, and covered institutions shall require such entities to have authority to determine whether to allow the construction manager of such contract to propose or bid on particular contracts, if, given market conditions and other relevant information, such entity determines that such action is in the best interests of the project and of the Commonwealth of Virginia. The bill provides that such entities shall have the option to either negotiate particular contracts in an open-book manner with the construction manager at risk or require the construction manager to submit a sealed bid or proposal to the state public body or its designated project director or procurement officer consistent with established principles.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: None

8. Fiscal Implications: DGS indicates the impact on construction contracts is indeterminate.

9. Specific Agency or Political Subdivisions Affected: The bill impacts state public bodies, institutions of higher education, and local public bodies by amending the current chapter of the Code of Virginia (Chapter 43.1 of Title 2.2) that establishes the Commonwealth's policies pertaining to the use of construction management (CM) and design-build (DB) procurement methods for complex construction projects.

10. Technical Amendment Necessary: No

11. Other Comments: None