

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** SB647S1

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

2. **Patron:** Carroll Foy

3. **Committee:** Finance and Appropriations

4. **Title:** Virginia Public Procurement Act; competitive sealed bidding; required criteria in invitations to bid.

5. **Summary:** Requires all public bodies to include in any Invitation to Bid criteria that will be used in determining whether a bidder who is not prequalified by the Virginia Department of Transportation is a responsible bidder. Current law authorizes, but does not require, localities to include such criteria in Invitations to Bid.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Preliminary—indeterminate, see item 8

8. **Fiscal Implications:** The bill requires public bodies include criteria in every Invitation to Bid for non-transportation related construction over \$250,000 that requires 12.5% of total labor hours of any construction required by the bid to be performed by individuals in certain apprenticeship programs. This requirement could potentially affect the pool of bidders and bid price. As the number of contractors participating in these specific apprenticeship programs is unknown at the time, fiscal impact from the bill is indeterminate.

9. **Specific Agency or Political Subdivisions Affected:** This bill 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 fourteen 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 V. Code §2.2-4343 (9, 10, 11).

10. **Technical Amendment Necessary:** No

11. **Other Comments:** This bill is similar to HB1273H1.