

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

1. **Bill Number:** HB1361

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

2. **Patron:** Feggans

3. **Committee:** General Laws

4. **Title:** Virginia Public Procurement Act; Virginia resident preference.

5. **Summary:** Provides preference as it relates to procurement for a bidder who is a resident of Virginia and then a bidder whose goods are produced in the United States. The bill gives the next lowest responsive and responsible bidder who is a resident of Virginia the option to match the price of the lowest responsive and responsible bidder who is a resident of another state. The bill exempts a public body from the provisions of the bill if such public body is rendered ineligible to receive federal funding due to the provisions of the bill.

6. **Budget Amendment Necessary:** No

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

8. **Fiscal Implications:**

The bill expands the existing tie bid preference for Virginia-produced goods or goods, services, and construction provided by Virginia residents. If the first preference cannot be applied, then the preference goes to goods produced in the United States. Then, the next lowest responsive and responsible bidder from Virginia can match the price of a resident from another state.

The fiscal impact of this bill is indeterminate. Restrictions on available suppliers, generally, may impact the pool of bidders and may impact the price of goods procured.

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:** None