

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB1091

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Wilt

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; project labor agreements.

5. Summary: Requires every public body, prior to requiring bidders, offerors, contractors, subcontractors, or operators on public works contracts to enter into, become or remain signatories to, or adhere to project labor agreements, to make a written determination that such project labor agreements: 1. advances the public's interests based on objective criteria established by the public body by regulation or ordinance, such as cost, efficiency, quality, safety, timeliness, maintenance of a skilled labor force, labor stability, or advancing minority-owned and women-owned business participation in the project; 2. sets forth mutually binding procedures for resolving disputes that can be implemented without delaying the project; 3. includes guarantees against a strike, lockout, or other concerted action aimed at slowing or stopping the progress of the public works project; 4. permits the selection of the lowest responsive and responsible bidder without regard to labor organization affiliation; and 5. binds all contractors and subcontractors required to be signatories to or to adhere to such project labor agreement to the terms of the agreement.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: This legislation adds an additional analysis and declaration requirement for public bodies, including state agencies, to meet before requiring bidders, offerors, contractors, subcontractors, or operators on public works contracts to enter into, become or remain signatories to, or adhere to project labor agreements. As the decision to include a project labor agreement requirement is optional for a public body, this bill does not generate a fiscal impact. Agencies that choose to require such agreements may incur additional administrative costs in conducting the analysis required by this bill, however, any such amount is indeterminate at this time.

9. Specific Agency or Political Subdivisions Affected: Any legislative, executive or judicial body, agency, office, department, authority, post, commission, committee, institution, board or political subdivision created by law to exercise some sovereign power or to perform some governmental duty, and empowered by law to undertake the activities described in the Virginia Public Procurement Act, including any independent agency of the Commonwealth,

and any metropolitan planning organization or planning district commission which operates exclusively within the Commonwealth of Virginia.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: February 14, 2022

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