

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB1161

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

2. Patron: McGuire

3. Committee: General Laws

4. Title: Virginia Public Procurement Act; required contract provisions; prohibition.

5. Summary: Requires all public bodies to include in every contract of more than \$10,000 certain provisions, outlined in the bill, related to participation in a boycott of Israel, its instrumentalities, or any of its territories while engaged in commercial activities pursuant to the terms of the contract. The bill also provides that such contractors shall include those same provisions in every subcontract or purchase order of more than \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: This legislation would require additional contract terms to be included in every contract worth more than \$10,000. If contractors do not desire to abide by these contract terms as part of a contract with the Commonwealth, then these terms may affect the pool of vendors competing for the Commonwealth's business, which would in turn affect the prices of goods and services. Any such impact 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: January 31, 2022
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