

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB488

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: Freitas

3. Committee: General Laws

4. Title: Contracts with government agencies for public works; agreements with labor organizations.

5. Summary: Removes certain provisions of the Code that allow public bodies to require bidders for public works contracts to enter into or adhere to pre-hire collective bargaining agreements with labor organizations on public works projects. The bill reverts the application of such provisions to state agencies specifically, rather than public bodies, which distinction was made in 2020. The bill also adds the option for injunctive relief to prevent a violation of its provisions, which was repealed in 2020. The provisions of the bill do not apply to public-private agreements that may interfere with the labor relations of employees covered by the federal National Labor Relations Act or Railway Labor Act.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary - See Item 8.

8. Fiscal Implications: Under this legislation, state agencies would be prohibited from including in bid specifications, project agreements, or other controlling documents a requirement or a prohibition that bidders, offerors, contractors, or subcontractors enter into, adhere to, become or refuse to become signatories to an agreement between one or more labor organizations for work related to a public works project. Under existing law, public bodies, including state agencies, have the option to require a pre-hire collective bargaining agreement with one or more labor organizations. Removing this option is not expected to generate a fiscal impact.

9. Specific Agency or Political Subdivisions Affected: State agencies and public bodies subject to the Virginia Public Procurement Act.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: January 31, 2022

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