

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB2150E

Patron: Carr

Bill Title: Virginia Public Procurement Act; contract terms inconsistent with Virginia law.

Bill Summary: Provides that no public contract for information technology goods and services, as defined by the bill, may contain terms in conflict with Virginia law. The bill also provides that public contracts shall provide for the application of Virginia law and for jurisdiction in the state of Virginia regardless of the terms of the contract. The engrossed bill stipulates the provisions of this section shall only apply to a county, city, town, political subdivision, or public institution of higher education, or to a public body listed as an independent agency in the appropriation act, if its governing body has adopted the provisions of this section as part of its procurement policies and procedures. The engrossed bill is to only apply to new contracts entered after July 1, 2025, and not contracts that are being renewed or amended after that date.

Budget Amendment Necessary: No

Items Impacted:

Explanation: This legislation has an indeterminate fiscal impact; any fiscal impact is likely minimal.

Fiscal Summary: The Department of General Services (DGS) indicates the legislation may limit the number of information technology contractors and cause an indeterminate increase in contract price. The Virginia Information Technology Authority (VITA) indicate this legislation is not expected to generate a fiscal impact.

Fiscal Analysis: The Department of General Services (DGS) indicates the legislation may limit the number of information technology contractors and cause an indeterminate increase in contract price. However, that scenario is contingent upon a public contract for information technology goods or services containing terms in conflict with Virginia law, which is an infrequent occurrence. The Virginia Information Technology Authority (VITA) indicates this legislation is not expected to generate a fiscal impact.

Other: