Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: SB326E **Patron:** McPike
Bill Title: Virginia Public Procurement Act; cooperative procurement; re-roofing.

Bill Summary: Excludes re-roofing that does not involve modification to the structure from the prohibition on using cooperative procurement to purchase construction. The engrossed version of the bill clarifies the definition of re-roofing, but no change in fiscal impact is expected.

Budget Amendment Necessary: No **Items Impacted:** N/A
Explanation: The Department of General Services (DGS) indicates the fiscal impact from this legislation is indeterminate.

Fiscal Summary: The Department of General Services (DGS) indicates the fiscal impact from this legislation is indeterminate and dependent upon state agencies' procurement choices for re-roofing projects.

Fiscal Analysis: The bill adds a new exception allowing cooperative procurement for re-roofing projects that do not involve structural modifications. Under current law, construction contracts are generally excluded from cooperative purchasing with exceptions for (i) the installation of artificial turf and track surfaces, (ii) stream restoration, (iii) stormwater management practices, or (iv) the installation of playground equipment.

The fiscal impact on other state agencies would depend on their procurement choices for re-roofing projects and therefore cannot be determined. Since the legislation does not require the use of cooperative procurement contracts for re-roofing projects, public entities have the option to continue with current procurement practices.

DGS indicates that competition from current and local market conditions may be lost in cooperative procurements. The agency estimates that affected projects could cost 5 to 10 percent more than individually bid re-roofing projects. For example, DGS had five re-roofing maintenance reserve projects that did not involve structural modifications, totaling approximately $15 million. If procured through a cooperative procurement, it is estimated that these project contracts could have cost $0.75 million to $1.5 million more.

Other: HB1044 and SB326 were companion bills as introduced.