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HOUSE BILL NO. 777
Offered January 14, 2026

A BILL to amend the Code of Virginia by adding in Article 2 of Chapter 2 of Title 2.2 a section numbered 2.2-203.2:6 and by adding sections numbered 2.2-4311.5 and 2.2-4328.4, relating to Virginia Public Procurement Act; required procurement of goods transported by privately owned commercial vessels.

Patron—Hayes

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 2 of Chapter 2 of Title 2.2 a section numbered 2.2-203.2:6 and by adding sections numbered 2.2-4311.5 and 2.2-4328.4 as follows:

§ 2.2-203.2:6. Additional duties of the Secretary; procurement of imported goods; use of privately owned commercial vessels; compliance with federal and state law.

A. As used in this section, "privately owned commercial vessel" means the same as that term is defined in § 2.2-4328.4.

B. Beginning November 1, 2026, and annually thereafter, the Secretary shall conduct an annual review of compliance by state agencies with the requirement to procure goods transported on privately owned commercial vessels.

§ 2.2-4311.5. Procurement of imported goods; use of privately owned commercial vessels; compliance with federal and state law; required contract provisions.

A. As used in this section, "privately owned commercial vessel" means the same as that term is defined in § 2.2-4328.4.

B. A state agency that enters into a public contract for goods that exceeds \$10,000 shall include in such a public contract provisions requiring the contractor to comply with § 901(b) of the Merchant Marine Act (P.L. 74-835) of 1936, as amended, and § 2.2-4328.4 regarding the use of privately owned commercial vessels for transporting such goods.

§ 2.2-4328.4. Use of privately owned commercial vessels; goods procured by the Commonwealth.

A. As used in this section, "privately owned commercial vessel" means an ocean-going vessel (i) registered and operated under the laws of the United States, (ii) used in commercial trade of the United States, and (iii) owned and operated by a citizen of the United States or meets the requirements of 46 U.S.C. 12102 for purposes of documenting vessels under the United States flag.

B. When a state agency procures any goods that may be transported on ocean-going vessels, it shall take steps necessary and practicable to ensure that 50 percent of the gross tonnage of the goods are transported on privately owned commercial vessels, to the extent those vessels are available at fair and reasonable rates for commercial vessels in the United States, in a manner ensuring fair and reasonable participation of commercial vessels of the United States.

C. The Director of the Department of General Services shall establish guidelines to assist state agencies in compliance with this section.

INTRODUCED

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