

Department of Planning and Budget 2001 Fiscal Impact Statement

1. Bill Number SB1245

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

2. Patron Watkins

3. Committee

4. Title Geographic data and statewide base map data.

5. Summary/Purpose: Authorizes the Department of Technology Planning (DTP) to establish a nonstock corporation as an instrumentality to assist the Geographic Information Network Division (VGIN) within DTP in the development and acquisition of geographic data and statewide base map data. In addition, legislation does not prohibit such an arrangement to assist DTP in the distribution of geographic data.

6. Fiscal Impact Estimates are: Preliminary

6a. Expenditure Impact: Indeterminate, however DTP says impact is limited and expected costs can be absorbed by the agency.

6b. Revenue Impact: Indeterminate.

7. Budget amendment necessary: No.

8. Fiscal implications:

This legislation does not mandate that DTP establish a non-stock corporation. Rather, it authorizes it to do so. By leaving the exercise of this option to DTP's discretion, any resultant fiscal impacts are also discretionary for DTP.

Assuming DTP establishes an authorized non-stock corporation:

There will be expenditures relating to starting up the corporation (preparing the articles of incorporation, bylaws, identifying directors, etc.) and ongoing operational costs (book keeping, annual report production, supporting directors meetings, and contract negotiations). It is assumed by DTP that DTP and the corporation itself will not be set up as the retailer of the geographic data, but rather will act as the government's representative in contracting with some private sector entity to retail the geographic data to the public. Under this assumption, VGIN and DTP have indicated they are able to absorb any resultant costs.

Revenues generated by such a non-stock corporation and its partnerships can be useful in offsetting the state's creation of a digital-orthophotography computerized database (acquired from specialized aerial photography). The cost estimation on creating a digital orthophotographic map of the entire state is

assumed to be approximately \$12 million over a three year period. A statewide digital base mapping program can significantly reduce the overall total cost of producing such a map for the Commonwealth's counties and communities. By flying the state using consistent specifications and processing digital orthophotographs in mass, the Commonwealth can realize economies of scale. While there is no clear indication of the extent of demand for digital orthophotographic data in the commercial market, revenues acquired by such a corporation created under this legislation can be used to offset its expenditures.

9. Specific agency or political subdivisions affected: The Department of Technology Planning.

10. Technical amendment necessary: No.

11. Other comments: None.

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cc: Secretary of Technology

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