

Department of Planning and Budget

2001 Fiscal Impact Statement

1. Bill Number SB872

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

2. Patron Puller

3. Committee Passed Both Houses

4. Title Gunston Hall; certain powers of board.

5. Summary/Purpose:

Authorizes the Board of Regents of Gunston Hall to determine the significance or suitability of the furnishings, household items, and other objects acquired by or for Gunston Hall and to sell or exchange those items deemed of little or no significance or unsuitable, consistent with the terms of their acquisition. These furnishings and items and any net proceeds of their sale will comprise a discrete fund of Gunston Hall, restricted to future acquisitions of such period items as well as the conservation of all such holdings of Gunston Hall.

6. Fiscal Impact: See the fiscal implications section (8).

7. Budget amendment necessary: No.

8. Fiscal implications: This legislation would override existing statutes on surplus property as defined in §2.1-457.3 of the *Code of Virginia*. The provisions in this section state that 50 percent of the proceeds from the sale of surplus materials purchased in whole or in part with general fund appropriations will be transferred to the Conservation Resources Fund. Currently, the Jamestown-Yorktown Foundation and the Virginia Museum of Fine Arts have similar provisions in the *Code of Virginia*.

The fiscal impact of SB 872 should be minimal because furnishings and other items at Gunston Hall are generally purchased with or provided through private gifts and donations. Under current statutes, agencies are allowed to keep the proceeds of surplus property sales if no general fund appropriations were used to acquire the items sold. Future fiscal impact as the result of this legislation should be minimal and would occur only to the extent that Gunston Hall sold surplus property acquired with general fund dollars. In this case, the Commonwealth would forego the 50 percent contribution to the Conservation Resources Fund.

9. Specific agency or political subdivisions affected: Gunston Hall

10. Technical amendment necessary: No.

11. Other comments: Section 4-1.05 b. 1 of the *2000 Appropriation Act* authorizes the Director of the Department of Planning and Budget to increase the appropriation of a state agency for the proceeds resulting from the sale of surplus property under the provisions of §2.1-457.3 of the *Code of Virginia*. Thus, the proposed legislation may not be necessary. However, it will definitely alleviate any possible concerns arising from the sale of furnishings and other items at Gunston Hall. The legislation would also state explicitly that the Board of Regents has the authority to sell surplus materials such as furnishings.

It is also important to note that the proposed language would provide Gunston Hall with the same status for endowments and private gifts that currently applies only to institutions of higher education. Section 23-9.2 of the *Code of Virginia* refers to endowment funds and other gifts from private sources for the state-supported institutions of higher education. This language states that the gifts received by the institutions shall not be taken into consideration to reduce state appropriations. Affording this status to Gunston Hall could set a precedent for other museums.

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cc: Secretary of Education

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