

Department of Planning and Budget

2002 Fiscal Impact Statement

1. Bill Number SB237

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Hanger

3. Committee General Laws

4. Title Frontier Culture Museum of Virginia; powers of the Board.

5. Summary/Purpose:

This bill authorizes the Board of the Frontier Culture Museum of Virginia to evaluate the significance or suitability of the furnishings, household items, and other objects acquired by purchase, gift or donations for the purpose of accurately presenting the tastes and lifestyles of the people living during the era the Museum depicts and within the limitations of the furnishings, household items, and other objects that would have been available to and within the means of such persons.

The Board may dispose of property determined to be of little or no significance or suitability to its purpose or mission, so long as the disposition of the property is not inconsistent with the terms of the acquisition of the relevant property. The proceeds from such sales will be used solely for acquiring period furnishings, household goods, and other objects consistent with the purpose and mission of the Museum. In addition, the Board may exercise flexibility in investing its funds or revising its investments. However, the sale of real property will require the consent of the Governor.

6. Fiscal Impact Estimates are: Not available.

7. Budget amendment necessary: No.

8. Fiscal implications: This legislation would override existing statutes on surplus property as defined in § 2.2 - 1125 of the Code of Virginia. The provisions in this section state that 50 percent of the proceeds from the total sale of surplus materials purchased in whole or in part with general fund appropriations will be transferred to the Conservation Resources Fund. During the 2001 General Assembly session, legislation was passed to give Gunston Hall a similar exemption.

The fiscal impact of this bill cannot be determined because the amount and property is unknown at this time. 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. The fiscal impact as the result of this legislation may be minimal and would occur only to the extent that Frontier Culture Museum sold surplus property acquired with general fund dollars.

9. Specific agency or political subdivisions affected: Frontier Culture Museum.

10. Technical amendment necessary: No.

11. Other comments:

Section 4-1.05b.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 § 2.2-1125 of the *Code of Virginia*. Thus, the proposed legislation may not be necessary. However, the legislation alleviates potential concerns arising from the sale of furnishings and other items at the Frontier Culture Museum.

It is also important to note that the proposed language would provide Frontier Culture Museum with the same status for endowments and private gifts that currently apply 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.

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cc: Secretary of Education