

Department of Planning and Budget
2003 Fiscal Impact Statement

1. Bill Number HB1988

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Bloxom

3. Committee Finance

4. Title Enterprise zones; expiration dates

5. Summary/Purpose: The bill provides that if the expiration date of a state -mandated enterprise zone is scheduled to occur prior to the expiration date of a federal -mandated enterprise zone, the stated designation expiration dates shall be extended to conform to the expiration date of the federal designation.

6. Net Fiscal Impact: SEE ITEM 8.

7. Budget amendment necessary: No.

8. Fiscal implications: The bill would require any state enterprise zone that is also designated as a federal -mandated enterprise zone to have the same expiration date as the federal designation. There are only two federally designated enterprise zones in Virginia: Portsmouth/Norfolk and Accomack/Norhampton. The bill would have no fiscal impact because the Department of Housing and Community Development currently interprets §59.1-275 of the *Code of Virginia* to already designate the expiration date of state enterprise zones as the same as federal zones. This bill would simply further clarify that interpretation. Therefore, the tax credits and job grants that businesses in those zones currently qualify for would not be impacted.

9. Specific agency or political subdivisions affected: Department of Housing and Community Development.

10. Technical amendment necessary: No.

11. Other comments: SB903 is a similar bill introduced by Senator Qualye.

Date: 01/15/03/mst

Document: G:\GaSessions\2003Session\Fis\Hb1988.Doc

cc: Secretary of Commerce and Trade