

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number SB760

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

2. Patron Wampler

3. Committee Agriculture, Conservation, & Natural Resources

4. Title Personal watercraft education course

5. Summary/Purpose: The bill requires all owners or operators of personal watercraft (popularly known as jetski) to successfully complete a boating safety education course approved by the Director of the Department of Game and Inland Fisheries or an equivalent course in another state or country. Currently this is only required of operators 14 or 15 years old, and of all persons renting personal watercraft to others.

6. Fiscal Impact Estimates are preliminary:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-03	\$855,000	-	NGF
2004-04	\$0	-	NGF

6b. Revenue Impact: None.

7. Budget amendment necessary: Yes, Item 392.

8. Fiscal implications: The bill would require all operators of a personal watercraft to complete a boating safety education course. Since most users of personal watercraft have not currently satisfied this requirement, a substantial number of people will need to take such a course in order to meet the legal requirement to operate a personal watercraft on July 1, 2003. Currently, there are about 25,000 personal watercraft in Virginia. The Department of Game and Inland Fisheries (DGIF) estimates there are about 3.8 operators per personal watercraft. This would equate to a total pool of 95,000 people that need to take the boating safety course (assuming of course that very few people have already taken such a course).

The current system of volunteers used by DGIF cannot support such an increase in volume. Therefore, the agency will need to hire instructors to provide the training. The course itself takes eight hours and is all day. An individual instructor can handle 25 students in each class. Assuming that 95,000 people must take the course, 3,800 classes must be conducted. An instructor would cost \$25 dollars per hour for a total of \$200 per class. If you add course materials and facility costs, the cost per class may be as high as \$225. Therefore, the fiscal impact of 3,800 classes on the agency is \$855,000.

Taking into consideration that there may be less operator than projected, or a significant number that may have already taken the course, or lower costs per class, the fiscal impact may be as low as \$600,000 (assumes 3,000 classes at \$200 per class). However, there may be a high number of operators or higher per class costs that could push the costs higher than \$855,000.

The funding for the boating safety courses would come from the Boating Safety and Regulation Fund or the Game Protection Fund, which are the funds used for the general operations of the agency. However, the agency cannot absorb the significant costs of providing training to 95,000 people, thus the agency would have to reduce services in other areas.

The fiscal impact of this bill assumes that all the training classes would take place prior to July 1, 2003, when the law would go into effect. It is likely that some of the training costs would be incurred in fiscal year 2004 since some people may not rush to take a course prior to the effective date of the bill. If that is the case the total costs would be the same but spread over two fiscal years.

9. Specific agency or political subdivisions affected: Department of Game and Inland Fisheries.

10. Technical amendment necessary: No.

11. Other comments: None.

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cc:Secretary of Natural Resources