

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number HB 1390

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 Callahan

3. Committee Finance

4. Title Virginia Cultural Economic Development Revolving Fund

5. Summary/Purpose: The bill would create the Virginia Cultural Economic Development Revolving Fund for the purposes of improving the cultural institutions and organizations and economic development prospects and interests of the Commonwealth through collaboration with Virginia's local governments. An advisory board would be created to assist the Virginia Resources Authority in managing the Fund. The Fund would be used to make grants or loans to local governments for facilities supporting and improving cultural institutions or interests and for facilities supporting and encouraging economic development.

6. Fiscal impact: Any fiscal impact associated with this legislation would depend on the amounts that are appropriated to the Virginia Cultural Economic Development Revolving Fund and on the demand for grants and loans from the Fund.

There could be additional costs to the Virginia Economic Development Partnership associated with this bill. Under the provisions of the bill, before approving any grant or appropriation the Advisory Board must receive a report from a reliable entity such as the Virginia Economic Development Partnership on the anticipated economic impact of the proposed project. However, the amount of any such additional costs is difficult to determine because it would depend on a number of factors, such as the demand for funding from the Virginia Cultural Economic Development Revolving Fund.

The Virginia Resources Authority states that it could administer the provisions of this bill with existing staff. While the bill would authorize the Authority to collect a reasonable fee for its management services, it is not clear at this time whether the Authority would charge a fee.

7. Budget amendment necessary: See Item 6.

8. Fiscal implications: See Item 6.

9. Specific agency or political subdivisions affected: Virginia Resources Authority; Virginia Economic Development Partnership.

10. Technical amendment necessary: No.

11. Other comments: The bill would establish an advisory board in the executive branch of state government. However, all members of the advisory board would be appointed by the Joint Rules Committee of the General Assembly.

Date: 02/16/04 / mar

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cc: Secretary of Commerce and Trade
Secretary of Finance