

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** HB1943

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

**2. Patron** Saxman

**3. Committee** Passed Both Houses

**4. Title** Former Staunton Correctional Center; conveyance.

**5. Summary/Purpose:**

This bill authorizes the Governor to convey the former Staunton Correctional Center to the Staunton Industrial Authority without consideration.

**6. Fiscal Impact Estimates are:** Final (see Item 8)

**7. Budget amendment necessary:** No. However, in § 3-1.01.T.1., “the Staunton Correctional Center, operated by the Department of Corrections;” needs to be struck.

**8. Fiscal implications:**

With the closing of the Staunton Correctional Center (SCC), the sale of the SCC property was originally included in an Executive Amendment to the 2002 Budget Bill that proposed the sale of various Department of Corrections’ (DOC) surplus property. Initially, \$9.6 million was expected to result from the sale of all the DOC properties and be deposited into the general fund of the state treasury by the end of FY 2003. From that amount, \$1.8 million was to be transferred to the Conservation Resources Fund. By the time Chapter 899, 2002 Acts of Assembly, passed, the estimated sale value for all the properties had increased to \$15.5 million for FY 2003 and \$6.0 million for FY 2004, with \$5.9 million being transferred to the Conservation Resources Fund by the end of FY 2003. The SCC sale accounted for all \$6.0 million of the total amount expected to be collected during FY 2004.

By the 2003 Session, the SCC had not been sold. Revenues in both Chapters 1042 and 943 (Caboose Bill), 2003 and 2004 Acts of Assembly respectively, reflected a \$6.0 million reduction to account for the SCC property sale not being completed. Furthermore, the revenues included in Chapter 4, 2004 Acts of Assembly, and the 2005 introduced budget bill do not include any amount associated with the SCC sale.

Historical significance of the antebellum structures at the core of the complex and the fact that other structures would have to be razed or significantly renovated have contributed to the difficulty associated with selling the property. In late 2004, Staunton’s Tax Assessor reported to the Department of General Services that the current value of the SCC, taking into consideration the historical significance of part of the property, is approximately \$4.0 million. Therefore, the potential lost revenue to the Commonwealth is an equal amount.

**9. Specific agency or political subdivisions affected:** Office of the Attorney General,  
Department of General Services, and Staunton Industrial Authority

**10. Technical amendment necessary:** No.

**11. Other comments:** This bill is identical to SB 1015.

**Date:** 03/03/05 / sas

**Document:** f:\higher education\2005 ga session\etaps fis\hb1943er.doc

cc: Secretary of Public Safety  
Secretary of Finance