

Department of Planning and Budget 2005 Fiscal Impact Statement

1. Bill Number HB2080

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

2. Patron Plum

3. Committee Passed Both Houses

4. Title Appropriation of state funds for historic preservation.

5. Summary/Purpose:

This bill amends the procedures for the appropriation of state funds for historic preservation. The bill sets July 1 of even-numbered years as the cutoff date for requests for state aid and requires a completed application to be submitted to the Department of Historic Resources for consideration. The bill also establishes new requirements for organizations that apply for state aid, such as: (i) applicants must certify that they have read and acknowledged all information on how the grants will be administered and how funds will be disbursed, (ii) the application shall state the purpose of the grant, (iii) any change in scope of a project must be approved by the Department prior to implementation of any changes, (iv) if grant funds are used for something other than the purpose for which they were requested without prior review and approval by the Department, then all state funds must be returned, (v) documentation on match funding and approved expenditures shall be submitted with all requests for disbursement, (vi) organizations shall submit progress reports as prescribed by the Department, (vii) organizations receiving the state grant shall comply with applicable state procurement requirements pursuant to the Virginia Public Procurement Act, (viii) new construction or ground disturbing activities funded by grants shall be reviewed for potential impact on any historic resources, and (ix) grant funding for capital projects shall be disbursed only as reimbursement for approved activities.

This FIS was revised to show that no budget amendment was needed.

6. Fiscal Impact Estimates are final:

According to the Department of Historic Resources (DHR), the proposed changes to grant administration will result in the need for additional staffing. DHR estimates that the additional workload created through the grant program will warrant a full-time procurement officer and a full-time grants manager.

As calculated by DHR, if warranted, the procurement officer position could result in an expenditure impact of \$60,159 GF in FY 2006 and \$57,749 GF in FY 2007 and beyond. If warranted, the grants manager position could result in an expenditure impact of \$71,403 GF

in FY 2006 and \$68,993 in FY 2007 and beyond. Total expenditure impact could total \$131,562 GF in FY2006 and \$126,742 in FY 2007 and beyond.

While DHR believes the proposed changes to grant administration created by this legislation will likely need both positions mentioned above, the General Assembly only included the full-time procurement officer position in the enrolled budget (HB1500). Despite not receiving funding for a full-time grants manager, DHR will implement the proposed changes to grant administration through FY 2006 without this position. Should the implementation of the proposed changes to grant administration during FY 2006 show that the full-time grants manager is needed, DHR will submit a budget request for this position during the 2006 General Assembly session.

- 7. Budget amendment necessary:** No. See Item 6.
- 8. Fiscal implications:** See Item 6.
- 9. Specific agency or political subdivisions affected:** Department of Historic Resources; recipients of state grants.
- 10. Technical amendment necessary:** No.
- 11. Other comments:** None.

Date: 03/09/05 / dma

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cc: Secretary of Natural Resources