

Department of Planning and Budget
2005 Fiscal Impact Statement

1. Bill Number SB 1190

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

2. Patron Colgan

3. Committee Commerce and Labor

4. Title Virginia Investment Partnership Act

5. Summary/Purpose: The bill would allow qualified research and development services to be eligible to receive investment performance grants. The bill also would (i) lower the maximum amounts of individual and aggregate awards that may be made beginning July 1, 2005, and (ii) reduce the time for payouts for most grants. Under the provisions of the bill, the Virginia Investment Partnership Grant Fund would include some proportion of the marginal revenues derived from eligible companies receiving grants under the Virginia Investment Partnership Act.

6. Fiscal impact: Any fiscal impact associated with this legislation would depend on the number of projects that qualify for grants under the Virginia Investment Partnership Act and on the amounts that are appropriated to fulfill the grant commitments. The Partnership states that, under the provisions of the bill, a portion of the estimated sales and income tax revenues generated by the new jobs would be set aside to fund the grant commitments.

7. Budget amendment necessary: No. There would be no fiscal impact in the current biennium.

8. Fiscal implications: See Item 6.

9. Specific agency or political subdivisions affected: Virginia Economic Development Partnership; Department of Taxation.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 02/01/2005 / mar

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cc: Secretary of Commerce and Trade
Secretary of Finance