

## 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 investment performance grant awards that may be made beginning July 1, 2005, and (ii) allow grant payments to begin earlier. 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 Virginia Economic Development 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:** 02/11/2005 / mar

**Document:** G:\LEGIS\2005\FIS\Sb1190s1.DOC

cc: Secretary of Commerce and Trade  
Secretary of Finance