

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB3114

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

2. Patron Cosgrove

3. Committee Rules

4. Title Aerospace Advisory Council; created.

5. Summary/Purpose: This bill creates the Aerospace Advisory Council within the executive branch to advise the Governor on policy and funding priorities to promote the aerospace and space exploration industry in the Commonwealth. The bill has a sunset clause for July 1, 2010.

6. Fiscal Impact Estimates are: Preliminary. See item 8 (below).

7. Budget amendment necessary: No.

8. Fiscal implications: The proposed legislation establishes the Aerospace Advisory Council as an advisory council within the executive branch of government. The Council is to be comprised of 15 members: four legislators, six citizen representatives of the aerospace and space exploration industry appointed by the General Assembly, one citizen representative from NASA's Wallops Flight Center, one citizen representative from NASA's Langley Research Center, one citizen representative from the Mid-Atlantic Regional Spaceport, one citizen representative from Old Dominion University, and one citizen representative from Virginia Tech, appointed by the Governor.

Compensation Expenses:

The bill stipulates that all legislative members of the Council shall receive such compensation as provided in §2.2-2813, which requires that members of boards, commissions, committees, councils and other collegial bodies who are appointed at the state level be compensated at a rate of \$50 per day. The bill specifies that any compensation expenses for legislators are to be paid by the Clerk of the House of Delegates and the Clerk of the Senate for their respective members.

The bill stipulates that nonlegislative citizen members shall serve without compensation.

Reimbursement Expenses:

The bill provides that meetings shall be held at the call of the chairman or the majority of the Council, and specifies that all members of the Council shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in §§2.2-2813 and 2.2-2825. Assuming (1) semiannual meetings are held; (2) all 15 members attend each meeting; (3) each member will incur travel and lodging expenses for each meeting (average \$175 per meeting, per member), the total annual cost for reimbursement of necessary expenses would be

approximately \$5,250. The bill stipulates that funding for compensation and expenses of legislative members shall be provided by the operating budgets of the Clerk of the House of Delegates and Clerk of the Senate upon approval of the Joint Rules Committee and the cost of expenses of the nonlegislative citizen members is to be provided by the Office of the Secretary of Technology. Therefore, the projected total cost for reimbursement expenses will be paid from the House operating budget (\$1,050), the Senate operating budget (\$350), and the Office of the Secretary of Technology (\$3,850). While it is uncertain as to the level of reimbursement that will be sought by members of this Council, historically many who are eligible for reimbursement do not seek payment.

Other Expenses:

The bill specifies that the Office of the Secretary of Technology is to provide staffing to the Council, as well as provide for all other expenses of the Council. It is estimated that these costs will be minimal and can be absorbed within existing resources.

9. Specific agency or political subdivisions affected: General Assembly, Old Dominion University, and Virginia Tech.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 2/20/07 / aek

Document: G:\2007 Fiscal Impact Statements\HB3114S1.Doc

cc: Secretary of Commerce and Trade
Secretary of Technology