

## Department of Planning and Budget 2007 Fiscal Impact Statement

**1. Bill Number** SB1340

<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** Puckett

**3. Committee** Passed Both Houses

**4. Title** Regional industrial facility authorities.

**5. Summary/Purpose:** Expands the definition of "region" for purposes of creating regional authorities to include any locality within a jurisdiction participating in the Appalachian Region Interstate Compact, which is created by the bill and will become effective if at least one other state enacts the compact. A Commission is created with representation from member states to promote economic and workforce development in cooperation with local governments. Six Virginia members are appointed as follows: two by the Senate Committee on Rules and four by the Speaker of the House of Delegates.

**6. Fiscal Impact Estimates are:** Final. See item 8, below.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** The fiscal implications are indeterminate. According to the bill, funding for the operation and expenses of the Commission may be from funds generated through borrowing, gifts, and grants, as well as funds appropriated by the General Assembly and the legislatures of other signatory states, federal funds, and revenue collected for the use of any facility approved by the Commission. The bill entitles members of the Virginia delegation to reimbursement for reasonable and necessary expenses incurred in the performance of their duties, such as transportation, parking, lodging, and meals. It is anticipated that the fiscal impact to the Commonwealth would be the costs associated with reimbursing the Virginia delegation for any expenses as well as any future funding the General Assembly may provide for the operation of the Commission.

**9. Specific agency or political subdivisions affected:** General Assembly, Appalachian Region Interstate Compact.

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

**11. Other comments:** This bill is identical to HB 3079.

The Commission has the authority to issue bonds, but any bonds are solely payable from revenues and receipts of a specific facility and do not affect the credit of the Commonwealth. This bill would require action by another state to become effective. The West Virginia

legislature is currently considering a bill (SB 697) that would provide the corresponding authority and, if enacted, provide the basis for setting this entity into operation.

**Date:** 03/16/07/tmw

**Document:** G:\2007 Session\Fiscal Impact Statements\SB1340ER.Doc

cc: Secretary of Commerce and Trade