

**Department of Planning and Budget  
2008 Fiscal Impact Statement**

**1. Bill Number:** SB412

House of Origin      X     Introduced                 Substitute                 Engrossed  
Second House                In Committee             Substitute                 Enrolled

**2. Patron:**        Puckett

**3. Committee:** Commerce and Labor

**4. Title:**         **Rate Increase for Fire Programs Fund.**

**5. Summary:** Increases the rate of the assessment for the Fire Programs Fund from one to 1.5 percent of the total direct gross premium income for fire and related lines of insurance.

**6. Fiscal Impact Estimates:** Preliminary.

**6b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2009	\$13,687,270	NGF
2010	\$13,687,270	NGF
2011	\$13,687,270	NGF
2012	\$13,687,270	NGF
2013	\$13,687,270	NGF
2014	\$13,687,270	NGF

**7. Budget Amendment Necessary:** Yes. Items 405 and 406.

**8. Fiscal Implications:** The Department of Fire Programs currently receives one percent of the total direct gross premium on five lines of fire related insurance. This legislation would increase that amount by 0.5 percent for a total estimated increase of \$13.7 million each fiscal year. The Department of Fire Programs is required by §38.2-401, Code of Virginia, to calculate 75 percent of all Fire Programs Funds revenue to allocate and distribute to the 324 jurisdictions as Aid to Localities and the remaining 25 percent makes up the agency's programmatic and administrative budget.

**9. Specific Agency or Political Subdivisions Affected:** The Department of Fire Programs

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** Identical to HB1340 and HB564.

**Date:** 1/18/2008    dpb

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