

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: HB2404

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

2. Patron: Bell

3. Committee: Rules

4. Title: Virginia Universities Clean Energy Development and Economic Stimulus Foundation

5. Summary: Creates the Virginia Universities Clean Energy Development and Economic Stimulus Foundation as a body corporate and a political subdivision of the Commonwealth. The substitute bill eliminates funding for the Foundation from the Tobacco Indemnification and Community Revitalization Commission.

6. No Fiscal Impact: Preliminary. See Line 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The legislation creates the Virginia Universities Clean Energy Development and Economic Stimulus Foundation as a political subdivision of the Commonwealth which will operate as a non-profit corporation and not be subject to the Virginia Public Procurement Act. No public funds shall be used for the work of the Foundation and it shall not be considered a state agency.

The Foundation will be governed by a Board of Directors composed of seven members appointed by the following: the president, or his designee, of the University of Virginia, the president, or his designee, of Virginia Polytechnic Institute and State University, one nonlegislative citizen member to be appointed by the Senate Committee on Rules, three nonlegislative citizen members to be appointed by the Speaker of the House of Delegates, one nonlegislative citizen member who will represent public service companies providing energy to consumers to be appointed by the Governor, and one nonlegislative citizen member to be appointed by the Senate Committee on Rules. Nonlegislative citizen members appointed by the Speaker of the House of Delegates and the Senate Committee on Rules shall have specialized background and expertise on one or more of the following subjects: environmental or conservation issues; financing and commercialization of newly developed technologies or products; energy production issues; or scientific research methodologies and protocols.

The Board shall meet no less than twice annually and report its activities on December 1 of each year to the Governor, the Speaker of the House, and the Senate Committee on Rules.

The Board may hire on a full-time, part-time, or contract basis such personnel as may be necessary to ensure that the purposes of this act are achieved, including, but not limited to, a chief executive officer, legal counsel, and chief research policy officer.

The Foundation, with assistance from the University of Virginia and Virginia Polytechnic Institute and State University, shall identify, obtain, disburse and administer funding for: research and development of alternative fuels, clean energy production, and related technologies; support of economic development projects in disadvantaged rural areas; and assist in the commercialization of alternative fuels and clean energy technologies. Funding shall be awarded only to those proposed projects that best meet the established criteria and purposes of this act.

No funding source is identified to support the Foundation's activities. Given that no public funds shall be used for the work of the Foundation, it appears the Foundation would have to rely on private donations and grants.

9. Specific Agency or Political Subdivisions Affected:

Governor
House of Delegates
Senate of Virginia
University of Virginia
Virginia Polytechnic Institute and State University

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/5/2009/aps

Document: g:/aps/legislation/2009sess/HB2404H1.doc

cc: Secretary of Education