

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB787

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

2. Patron: Villanueva

3. Committee: Passed Both Houses

4. Title: Offshore energy resources.

5. Summary: This bill states that it shall be the policy of the Commonwealth to support oil and natural gas exploration, development, and production 50 miles or more off of the coast of Virginia. Currently, the policy is limited to supporting only exploration for natural gas resources 50 miles or more offshore. The bill specifies that the production and development of oil and natural gas resources is to take into account the impact on affected localities, the armed forces of the United States, and the mid-Atlantic regional spaceport.

6. Fiscal Impact Estimates: Final.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This bill makes it the policy of the Commonwealth to support the future exploration, development and production of oil and natural gas 50 miles or more off of the coast of Virginia. While this bill does not result in any direct or immediate fiscal impact to the Commonwealth, insomuch as future production of oil and natural gas should occur, it may result in the future generation and expenditure of state resources. Note that uncertainties exist as to the location and amount of resources available for drilling and that several factors on the federal level would need to align to permit offshore drilling in Virginia and to permit any revenues from this drilling to be allocated to the state. However, should offshore drilling be permitted, should production ensue, and should the Commonwealth be granted a portion of the royalties from this production, a future revenue impact to the state may result.

9. Specific Agency or Political Subdivisions Affected: Department of Mines, Minerals and Energy.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to the enrolled version of SB394.

Date: 3/4/2010 dpbaek

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