

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB455

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Hurt

3. Committee: General Laws and Technology

4. Title: Permit fees; veterans waiver.

5. Summary: This bill exempts veterans from paying the handling fee to the Department of Business Assistance when establishing a small business through the one-stop small business permitting program.

6. Fiscal Impact Estimates: Indeterminate. See item 8.

7. Budget Amendment Necessary: Yes, Item 98.

8. Fiscal Implications: This bill would have a fiscal impact on the Department of Business Assistance (DBA) and the Business One Stop Program (BOS). However, the exact fiscal impact this bill will have is indeterminate.

Given that this bill exempts veterans from a handling fee through the Business One Stop Program, the program system may need to be updated in order to recognize and receive a user as being a veteran. However, the cost of updating the system is indeterminate at this point.

The fiscal impact of this bill on the amount of revenue collected through the handling fee depends on the numbers of users which are veterans. In DBA's business model, the agency assumed 10,000 annual users would pay \$20 each for total income of \$200,000 on an annual basis. Assuming 10 percent of the users would be veterans, the agency could lose \$20,000 on an annual basis.

While these estimates are approximate, it is unclear the exact fiscal implications of this bill to DBA as there is no way to determine how many current users are veterans.

9. Specific Agency or Political Subdivisions Affected: Department of Business Assistance.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/16/2010

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