

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: SB716

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

2. Patron: Black

3. Committee: Transportation

4. Title: Virginia ports; change in ownership.

5. Summary: The proposed legislation would require approval of both the Governor and the General Assembly before any change in ownership of any Virginia port is permitted. The bill also contains an enactment clause requiring the Governor to notify the General Assembly within 60 days of receiving an unsolicited bid from the private sector to purchase the port.

The state is currently considering two proposals received through the Public-Private Transportation Act of 1995 (PPTA) which would privatize operations of state-owned terminals. As the bids are currently proposed, the state would retain ownership of the facilities. Under the provisions of the PPTA, the involved agency and its respective secretariat are authorized to negotiate and finalize agreements with the private entity.

6. Budget Amendment Necessary: None.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: The proposed legislation would require approval of the Governor and General Assembly prior to the sale of state-owned ports. The PPTA proposals currently under consideration would allow a private party to operate the facilities of the Virginia Port Authority, but the state would retain ownership of the facilities. The proposals are currently under review pursuant to the provisions of the PPTA, and as currently envisioned, the process will be concluded in the spring of 2013. Given that the proposed legislation would become effective July 1, 2013, it is unclear how the provisions of this legislation would impact the finalization of a comprehensive agreement with a private partner.

9. Specific Agency or Political Subdivisions Affected: Virginia Port Authority

10. Technical Amendment Necessary: None.

11. Other Comments: Identical to HB1334. HB1689, HB1690, HB1691, HB1896, HB2000, and HB2276 also address outsourcing at the Port of Virginia.

Date: 1/23/2013 dpb/smc

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