

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: SB62

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

2. Patron: Puller, L.

3. Committee: Finance

4. Title: Residences; grants for purchasing or expending money on existing property to improve accessibility

5. Summary: This bill establishes a grant program for homeowners and contractors for the purchase or construction of new residences or renovations to existing residences designed to improve accessibility or to provide universal visitability. The grant program would be administered by the Director of the Department of Housing and Community Development. Subject to funds being appropriated by the General Assembly, the Director would be authorized to award up to \$1 million in grants each fiscal year beginning with fiscal year 2016. The maximum grant allowed would be (i) \$5,000 for the purchase or construction of a new residence or (ii) 50 percent of the amount expended, but not to exceed \$5,000, for the retrofitting or renovation of an existing residence. Each fiscal year, the Director would allocate \$500,000 in grants for the purchase or construction of new residences and \$500,000 in grants for the retrofitting or renovation of existing residences.

6. Budget Amendment Necessary: Yes, to Item 103 of HB30/SB30 to capitalize the Residential Improved Accessibility and Universal Visitability Grant Fund. The Senate Finance Committee approved a budget amendment for \$500,000 from the general fund in FY 2016 for this purpose.

7. Fiscal Impact Estimates: Preliminary, see item 8.

8. Fiscal Implications: This bill establishes a new grant program that will be administered by the Department of Housing and Community Development. According to the department, the bill will require the agency to reprogram its grants management software system (CAMS) to accommodate the new program. The department estimates these start-up costs to be approximately \$3,500. The department can absorb these costs within existing program resources since many aspects of the program design would be similar in the credit and grant components of current programs. In addition, the bill allows the department to establish program rules. As such, the agency believes that it may be able to work with local partners to handle the retail transactions at the local level.

The bill provides that the new program is subject to appropriation by the General Assembly. The provisions of the bill indicate that the Director would be authorized to award up to \$1.0

million in grants each fiscal year beginning in FY 2016. To capitalize the fund, an appropriation is required.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development.

10. Technical Amendment Necessary: No.

11. Other Comments: The budget recommendations of the Senate Finance Committee include a budget amendment for accessible housing grants. The amendment, Item 103 #1s, provides general fund appropriation of \$500,000 in FY 2016.