

## **Department of Planning and Budget**

### **2015 Fiscal Impact Statement**

**1. Bill Number:** HB1866-H1

**House of Origin** ☐ Introduced    ☒ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**        Stolle

**3. Committee:** Appropriations

**4. Title:**         Dam Safety.

**5. Summary:** Allows the Director of the Department of Conservation and Recreation to make loans from the Dam Safety, Flood Prevention, and Protection Assistance Fund up to \$150,000 to flood-proof primary and secondary single-family residences, owner-occupied rental housing, and businesses. To be eligible, homeowners' and business owners' structures must be subject to coastal flooding and located in either Zone VE or Coastal Zone AE. The locality floodplain manager certifies that the structures are subject to recurrent flooding, are in need of mitigation, and that the requested mitigation action is practicable for the structure involved. The Director may utilize the Fund to support reasonable costs and expenses incurred by the Department in the administration of these grants. Also, the Director may use the Fund to support the regular review of and updates to the Commonwealth's Flood Protection Plan.

The second enactment clause provides that this act shall be not become effective unless reenacted by the 2016 Session of the General Assembly.

The third enactment clause states that by December 1, 2015, the Department of Conservation and Recreation, the Department of Emergency Management, the Virginia Resources Authority, and the Department of Housing and Community Development shall make recommendations to the Joint Subcommittee to Formulate Recommendations to Address Recurrent Flooding regarding the best fiscal mechanisms to provide flood-proofing grants and loans to private property owners and businesses, an estimate of the magnitude of the current needs, and an estimate of the amounts needed annually including the state program delivery costs.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary.

**8. Fiscal Implications:** Until the study is complete and recommendations made December 1, 2015, and accepted, the fiscal impact on the Dam Safety, Flood Prevention, and Protection Assistance Fund for providing grants to homeowners and business owners cannot be

determined. It is anticipated that any fiscal impact to complete the study by the various state agencies could be absorbed within existing resources.

This bill also provides that the Fund may be used to makes updates to the Commonwealth's Flood Protection Plan.

- 9. Specific Agency or Political Subdivisions Affected:** The Department of Conservation and Recreation, the Department of Emergency Management, Virginia Resources Authority, Department of Housing and Community Development, and localities.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** HJR 16 (2014) and SJR 3 (2014) established the Joint Subcommittee to formulate recommendations to address recurrent flooding.

Date: 02/02/2015

cc: Secretary of Natural Resources