

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB1006

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

2. Patron: Watkins

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Virginia Marine Resources Commission; submerged lands; permit fees.

5. Summary: Clarifies the requirement of a permit application to the Virginia Marine Resources Commission (Commission) for the placement of certain piers and provides that certain applications for permits to use state-owned submerged lands shall be accompanied by a nonrefundable processing fee of \$100. The bill raises the existing fees for the issuance of such a permit from \$25 to \$100 for small projects and from \$100 to \$300 for projects costing more than \$10,000. The bill establishes a permit fee of \$600 for projects costing \$500,000 or more. The bill also increases the range of royalties for removal of each cubic yard of bottom material from \$0.20 nor more than \$0.60 to \$0.40 nor more than \$0.80. Finally, the bill authorizes the Commission to increase fees beginning in 2018 and once every three years thereafter.

6. Budget Amendment Necessary: No.

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

7a. Expenditure Impact: None.

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2015	\$0	Marine Habitat and Waterways Improvement (0916)
2016	\$232,817	Marine Habitat and Waterways Improvement (0916)
2017	\$232,817	Marine Habitat and Waterways Improvement (0916)
2018	\$232,817	Marine Habitat and Waterways Improvement (0916)
2019	\$232,817	Marine Habitat and Waterways Improvement (0916)
2020	\$232,817	Marine Habitat and Waterways Improvement (0916)
2021	\$232,817	Marine Habitat and Waterways Improvement (0916)

8. Fiscal Implications: The revenue, which would be deposited into the Marine Habitat and Waterways Improvement Fund (0916), is the sum of the following calculations for an annual total of \$232,817:

\$100 application fee (new): \$96,200 (based on 456 pier applications and 506 subaqueous permit applications received during 2013.) Sum of total applications received in 2013 is 962, and 962 is then multiplied by \$100 for a total of \$96,200.

\$100 permit fee, increase: \$13,275 (based on 177 projects under \$10,000 in value during 2013 and a net increase of \$75 per permit as the current permit fee is \$25.) 177 is then multiplied by \$75 for a total of \$13,275.

\$300 permit fee, increase: \$49,200 (based on 246 projects over \$10,000 but less than \$500,000 in value during 2013 and a net increase of \$200 per permit as the current permit fee is \$100.) 246 is then multiplied by \$200 for a total of \$49,200.

\$600 permit fee, increase: \$32,000 (based on 64 projects over \$500,000 in value during 2013 and a net increase of \$500 per permit as the current permit fee is \$100.) 64 is then multiplied by \$500 for a total of \$32,000.

\$0.20 dredging fee, increase: \$42,142 (based on an average increase of \$0.20 times the 210,710 cubic yards which were authorized to be dredged in 2013 and were subject to a dredging royalty.) 210,710 is then multiplied by \$0.20 to arrive at \$42,142.

9. Specific Agency or Political Subdivisions Affected: Marine Resources Commission.

10. Technical Amendment Necessary: No.

11. Other Comments: None.