

## Department of Planning and Budget 2016 Fiscal Impact Statement

1. **Bill Number:** HB413

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

2. **Patron:** Kilgore

3. **Committee:** Appropriations

4. **Title:** Fly Wisely Unmanned Aerial Systems Accelerator Authority.

5. **Summary:** Creates the Fly Wisely Unmanned Aerial Systems Accelerator Authority (the Authority) for the purpose of assisting the coal-producing areas of the Commonwealth to achieve some degree of economic diversification. The Authority's 16-member board of directors shall initiate and further plan for the development of commercial unmanned aerial systems in the Commonwealth with specific focus on southwestern Virginia and, to this end, shall keep informed as to the present requirements and likely future needs of any and all unmanned aerial systems facilities located within the Commonwealth. The Commonwealth shall remit to the authority \$350,000 on July 1, 2016 conditioned upon the Virginia Coalfield Economic Development Authority matching the designated amount from the funds it has available for projects within the region. Unless extended, the Authority will dissolve on or before June 30, 2019.

6. **Budget Amendment Necessary:** Yes, Item 125 of HB30/SB30.

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

**Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2016			
2017	\$350,000	-	General Fund
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-

8. **Fiscal Implications:** This bill would create the Fly Wisely Unmanned Aerial Systems Accelerator Authority as a local authority in the Southwestern region of the Commonwealth. The bill provides that loans and grants of the Authority may be managed by the University of Virginia's College at Wise or the Wise County Industrial Development Authority. If managed by the University of Virginia's College at Wise, it is anticipated that this bill will not have a fiscal impact on the University. It is anticipated that the University could manage grants and loans of the Authority using existing staff and resources. The Wise County

Industrial Development Authority is not a state agency and as a result there is no state fiscal impact anticipated.

The bill provides that the Commonwealth remit to the Authority \$350,000 on July 1, 2016, conditioned on matching funding provided by the Virginia Coalfield Economic Development Authority. However, the bill does not identify a source of funding. An amendment to provide \$350,000 in general fund appropriation in FY 2017 to the Virginia Economic Development Partnership for payment to the Authority is necessary.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Economic Development Partnership, University of Virginia's College at Wise

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.