

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB426

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: Vogel

3. Committee: Local Government

4. Title: Virginia Community Impact Authority and Fund.

5. Summary: Establishes the Virginia Community Impact Authority with the authority to (i) provide grants, investments, and loans to support job training programs, health care delivery systems, and affordable housing programs and initiatives; (ii) provide start-up capital and loans to assist private enterprises; (iii) provide grants to local community impact funds; (iv) support clean and energy-efficient programs and initiatives; and (v) support other initiatives that are determined by the Authority to have a meaningful community impact. The grants, investments, and loans are to be made from the Virginia Community Impact Fund, established by the bill, which is to be funded by allocation of one percent of the total consideration paid by state public bodies in state procurement contracts valued at more than \$300,000.

6. Budget Amendment Necessary: Indeterminate. See Item 8, below.

7. Fiscal Impact Estimates: Preliminary; fiscal impact is indeterminate. See Item 8, below.

8. Fiscal Implications: The fiscal impact of this bill is indeterminate. The bill establishes the Virginia Community Impact Authority and Virginia Community Impact Fund. Staff and other support services for the Authority will be provided by the Department of Housing and Community Development (DHCD). The impact of DHCD's support is indeterminate and would depend on the scope and magnitude of the support required.

The bill requires state public bodies subject to the Virginia Public Procurement Act to include a provision in every contract with a total value of more than \$300,000 requiring one percent from the total consideration paid by the public body to be deposited in the Virginia Community Impact Fund. Such contracts shall also include a vendor representation that the contract price was not increased to cover the amount deposited in the Fund. The number and value of contracts that would be subject to this provision is indeterminate.

Additional information on existing contracts over \$300,000 in eVA, the statewide electronic procurement system, will be provided in a revised fiscal impact statement when available.

However, such information is not expected to be fully representative of all contracts over \$300,000.

9. Specific Agency or Political Subdivisions Affected: The Department of Housing and Community Development, Auditor of Public Accounts, Department of General Services, and state public bodies subject to the Virginia Public Procurement Act.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: February 2, 2016
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