Department of Planning and Budget
2017 Fiscal Impact Statement

1. **Bill Number:** HB1624

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

2. **Patron:** James

3. **Committee:** Appropriations

4. **Title:** Host Cities Economic Development Incentive and Host Cities Transportation Support Funds.

5. **Summary:** This bill creates the Host Cities Economic Development Incentive Fund, administered by the Secretary of Commerce and Trade, to support economic development, growth of existing businesses, and job creation related to the Port of Virginia in one or more host cities. The bill also creates the Host Cities Transportation Support Fund, administered by the Secretary of Transportation, to support transportation projects and facilities related to the Port of Virginia in one or more host cities. The host cities are the Cities of Newport News, Norfolk, and Portsmouth.

6. **Budget Amendment Necessary**: No; however, a budget amendment will be necessary to capitalize the newly established funds.

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

8. **Fiscal Implications:** The bill establishes two new funds: the Host Cities Economic Development Incentive Fund, administered by the Secretary of Commerce and Trade and the Host Cities Transportation Support Fund, administered by the Secretary of Transportation. The bill does not specify a source of funding for either; a budget amendment will be required to capitalize the funds.

   The Division of Selected Agency Support, which serves as fiscal agent for several economic development incentive programs, will serve as the agent for both offices in the administration of these new funds. Based on the administration of other economic development incentive funds by this division, it is anticipated that any impact will be minimal to administer the two funds.

9. **Specific Agency or Political Subdivisions Affected:** Secretary of Commerce and Trade; Secretary of Transportation; Division of Selected State Agency Support.

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

11. **Other Comments:** The Port of Virginia currently administers the Port of Virginia Economic and Infrastructure Development Zone Grant Fund, which provides grants to incentivize

qualified companies to locate new maritime-related employment centers or expand existing centers to facilitate the growth of the Port of Virginia. HB1500, as introduced, includes $2.0 million in FY 2017 and FY 2018 for this fund.

SB1013 is the companion to this bill.