

Department of Planning and Budget

2017 Fiscal Impact Statement

1. Bill Number: HB1964

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

2. Patron: Stolle

3. Committee: Appropriations

4. Title: Secretary for Coastal Protection and Flooding Adaptation.

5. Summary: Creates the position of Secretary for Coastal Protection and Flooding Adaptation (the Secretary). The Secretary shall be responsible for consolidating into a single office the resources for coastal flooding threats and adaptation. The Secretary also shall be the lead in providing direction, ensuring accountability, and developing a statewide coastal flooding adaptation strategy. The Secretary, in cooperation with the Secretary of Natural Resources, shall identify sources of funding for needed implementation of strategies for coastal protection and flooding adaptation.

6. Budget Amendment Necessary: Yes. A new Item is needed to establish a new secretarial office. See item 8.

7. Fiscal Impact Estimates:

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	\$478,117	3	General Fund
2019	\$478,117	3	General Fund
2020	\$478,117	3	General Fund
2021	\$478,117	3	General Fund
2022	\$478,117	3	General Fund
2023	\$478,117	3	General Fund

7b. Revenue Impact: None.

8. Fiscal Implications: This bill establishes a new secretarial office within the Office of the Governor, charged with serving as the lead in providing direction, ensuring accountability, and developing a statewide coastal flooding adaptation strategy for the Commonwealth. The office shall also be responsible for consolidating into a single office the resources for coastal flooding threats and adaptation. Based on the core structure of other secretarial offices, it is anticipated that an appropriation from the general fund of \$478,117 and three positions will be required beginning in FY 2018. Funding includes a salary of \$158,966 for the Secretary, a salary of \$117,000 for a Deputy Secretary, and a salary of \$40,800 for an administrative

assistant position. Including benefits, total personnel costs are estimated at \$431,015. Nonpersonnel, or operating expenses, related to IT, telecommunications, rent, and supplies are estimated at \$47,102 annually.

The bill provides that the Secretary will consolidate into a single office the resources for coastal flooding threats and adaptation. The Secretary, in cooperation with the Secretary of Natural Resources, is also tasked with identifying sources of funding needed for implementation of strategies for coastal protection and flooding adaptation. Currently, several agencies across various secretariats contribute to efforts related to coastal flooding threats and adaptation. These agencies include, but are not limited to, the Department of Emergency Management, the Department of Housing and Community Development, the Department of Mines, Minerals, and Energy, and the Department of Environmental Quality, as well as higher-education institutions like Old Dominion University, the Virginia Institute for Marine Science, and the College of William and Mary. In addition to the above-listed agencies, the Secure Commonwealth Panel, an advisory board in the executive branch, is tasked with monitoring and assessing the implementation of statewide prevention, preparedness, response, and recovery initiatives related to natural disasters. The breadth of work conducted and resources utilized at these agencies cannot be quantified at this time, and such identification and understanding may take a detailed study by the newly established secretarial office. The bill does provide that the Governor, by executive order, may assign any other state agency to the Secretary's office.

- 9. Specific Agency or Political Subdivisions Affected:** Office of the Governor; Secretaries of Commerce and Trade, Health and Human Resources, Natural Resources, Technology, Transportation, and Public Safety and Homeland Security; the Department of Emergency Management; the Department of Housing and Community Development; the Department of Mines, Minerals, and Energy; the Department of Environmental Quality; Old Dominion University; the Virginia Institute for Marine Science; College of William and Mary.
- 10. Technical Amendment Necessary:** Yes, on line 20 after "coastal" a space is required between "floodingadaptation". Also, line 23 includes the sentence "or reassign any agency listed above to another Secretary" but no agencies are listed in the text of the bill.
- 11. Other Comments:** None.