

Department of Planning and Budget

2017 Fiscal Impact Statement

1. **Bill Number:** HB2055

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

2. **Patron:** Hodges

3. **Committee:** Counties, Cities and Towns

4. **Title:** Rural Coastal Virginia Economic Development Authority.

5. **Summary:** This bill establishes the Rural Coastal Virginia Economic Development Authority, consisting of the 12 counties of Accomack, Essex, Gloucester, King and Queen, King William, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Richmond, and Westmoreland. The Authority is created for the purpose of serving as a regional economic development body and represents a partnership of the Commonwealth, the planning districts, and the 12 counties of the coastal region. The Authority shall be governed by a 17-member board. The Authority may seek and approve loans and solicit donations, grants, and any other funding from the Commonwealth, the federal government, and regional, local government, and private entities, and distribute such money for projects to (i) assist the region in obtaining necessary job training or employment-related education, leadership and civic development, and business development, especially entrepreneurship for the coastal region; (ii) provide special assistance to distressed and underdeveloped counties within the coastal region; and (iii) fund demonstration projects, and conduct research, evaluations, and assessments of the coastal region's assets and needs.

6. **Budget Amendment Necessary:** Yes, to Item 1 of HB1500/SB900.

7. **Fiscal Impact Estimates:** Preliminary. See item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	\$5,580	n/a	GF
2019	\$5,580	n/a	GF
2020	\$5,580	n/a	GF
2021	\$5,580	n/a	GF
2022	\$5,580	n/a	GF
2023	\$5,580	n/a	GF

7b. Revenue Impact: No state revenue impact.

8. Fiscal Implications: It is anticipated that this bill will result in an expenditure impact to the offices of the House of Delegates and the Senate of Virginia for reimbursement to members for actual expenses incurred in the performance of their duties. Assuming that the Board will meet four times per year, the House of Delegates requires an amendment of \$3,720 from the general fund for its two members, while the Senate of Virginia requires an amendment of \$1,860 from the general fund for its one member.

The bill provides that all agencies of the Commonwealth shall cooperate with the Authority, with the Secretary of Commerce and Trade acting as chief liaison between state agencies and the Authority. Costs associated with these activities can be absorbed in current state resources.

The bill specifies that the Board shall be staffed by the counties and planning district commissions that make up the Authority. The fiscal impact on these localities is indeterminate.

9. Specific Agency or Political Subdivisions Affected: Virginia House of Delegates; Senate of Virginia; Secretary of Commerce and Trade; state agencies; localities.

10. Technical Amendment Necessary: No.

11. Other Comments: None.