# Department of Planning and Budget
## 2019 Fiscal Impact Statement

1. **Bill Number:** HB345

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

2. **Patron:** Stolle

3. **Committee:** Rules

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

5. **Summary:** This bill creates the position of the Secretary for Coastal Protection and Flooding Adaptation. 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 separate Item is needed to establish a new secretarial office. See item 8.

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

**7a. Expenditure Impact:**

| *Fiscal Year* | *Dollars* | *Positions* | *Fund* |
|---|---|---|---|
| 2019 | $507,681 | 3 | General Fund |
| 2020 | $507,681 | 3 | General Fund |
| 2021 | $507,681 | 3 | General Fund |
| 2022 | $507,681 | 3 | General Fund |
| 2023 | $507,681 | 3 | General Fund |
| 2024 | $507,681 | 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 in HB30/SB30 as introduced, it is anticipated that an appropriation from the general fund of $507,681 and three positions will be required beginning in FY 2019. Funding includes a salary of $172,000 for the Secretary, a salary of $110,000 for a Deputy Secretary, and a salary of $42,024 for an administrative assistant position. Including benefits, total personnel

costs are estimated at $458,965. Non-personnel, or operating expenses, related to IT, telecommunications, rent, and supplies are estimated at $48,716 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 Transportation, 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 including 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 and Resilient 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 Transportation; 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; other state agencies.

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

11. **Other Comments:** SB265 is the companion to this bill.