

Department of Planning and Budget

2019 Fiscal Impact Statement

1. Bill Number: SB1651

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Howell.

3. Committee: Passed the Senate.

4. Title: Research and development in the Commonwealth.

5. Summary: Establishes the Capital Research Investment Advisory Committee to provide the Board of the Innovation and Entrepreneurship Investment Authority (IEIA) with investment advice; review, evaluate, and monitor investments and investment opportunities; make recommendations to the Board about investments and investment opportunities; make recommendations to the Board about asset allocation; and, provide oversight for the Commonwealth Growth Accelerator Program Fund. Makes the Board responsible for oversight of the Virginia Biosciences Health Research Consortium (VBHRC) and the Commonwealth Center for Advanced Manufacturing (CCAM).

Requires the Secretary of Commerce and Trade to oversee a stakeholder group to assess and recommend to the Governor and the General Assembly by December 1, 2019, a plan to consolidate, restructure, or transition programs from IEIA, the Virginia Research Investment Committee (VRIC), and other appropriate agencies or entities to a structure that includes either both existing entities or a new entity or structure to ensure more collaboration and coordination in the Commonwealth's innovation sector. The stakeholder group shall assess whether one or multiple entities should be involved in the oversight of programs related to research, commercialization, technology, and entrepreneurship. In addition, the plan shall address how VBHRC and CCAM relate to the consolidation and any future structure or structures.

6. Budget Amendment Necessary: See item 8, below.

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

8. Fiscal Implications: In addition to the Secretary of Commerce and Trade, the stakeholder group is to include the Secretary of Finance, the chairman of IEIA, the chairman of VRIC, the chairman of VBHRC, and the staff directors of the House Committee on Appropriations and Senate Committee on Finance. Additionally, in an advisory capacity, the Secretary of Commerce and Trade is to consult with industry organizations, technology councils, entrepreneurial ecosystem organizers, and representatives of public institutions of higher education. It is anticipated that any state fiscal impact associated with the establishment of and participation in the stakeholder group can be absorbed within existing resources.

Any fiscal impact that may result from any consolidation, restructuring, or transition of programs that may occur following the completion of the plan required by this bill is indeterminate.

- 9. Specific Agency or Political Subdivisions Affected:** Innovation and Entrepreneurship Investment Authority; Virginia Research Investment Committee; Secretary of Commerce and Trade; Virginia Biosciences Health Research Corporation; Commonwealth Center for Advanced Manufacturing; House Committee on Appropriations; Senate Committee on Finance; public institutions of higher education.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.