

## Department of Planning and Budget

### 2020 Fiscal Impact Statement

**1. Bill Number:** HB794

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

**2. Patron:** Askew

**3. Committee:** Agriculture, Chesapeake, and Natural Resources

**4. Title:** Flood Insurance Fund; low-income Virginians.

**5. Summary:** Creates a Flood Insurance Fund and directs the Executive Director of the Board of Directors of the Virginia Resources Authority to establish a program to use the Fund to subsidize the purchase of flood insurance by low-income Virginians. Such program shall include an application process, application guidelines, and a ranking system that prioritizes the use of the Fund to support the purchase of flood insurance in the most flood-prone areas.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** No state fiscal impact, see Item 8.

**8. Fiscal Implications:** This legislation establishes the Flood Insurance Fund, but does not designate a revenue source or an appropriation for the Fund, therefore this provision does not generate a fiscal impact. A budget amendment would be required to capitalize the Fund.

The Virginia Resources Authority (VRA) does not currently administer programs in which loans or grants are made to private property owners. Currently, loan proceeds from the sale of VRA bonds or VRA administered loans are restricted to political subdivisions such as counties, cities, towns, and regional authorities. VRA anticipates that the costs to implement this program are indeterminate.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Resources Authority

**10. Technical Amendment Necessary:** Yes, the following technical amendments have been noted by VRA:

- 1) Line 21, after "Executive Director", strike "of the Board of Directors";
- 2) Line 37, after "Board.", add "The Authority may disburse from the Fund its reasonable costs and expenses incurred in the management of the Fund.";
- 3) Line 38, after "The", strike "Director" and insert "Board".

**11. Other Comments:** This fiscal impact statement has been revised to include necessary technical amendments identified by the Virginia Resources Authority.