

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB518

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

2. Patron: McDougale

3. Committee: Finance and Appropriations

4. Title: Changing the Commonwealth's biennial appropriations to begin in odd-numbered years.

5. Summary: Biennial appropriation act. Provides that the Commonwealth's biennial appropriations shall start on July 1 of odd-numbered years beginning with the biennial appropriation act for the period July 1, 2023, through June 30, 2025. The bill requires that the fiscal year beginning July 1, 2022, would not be part of any biennial appropriation act (i.e., it would be a single-year transitional budget).

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: As introduced, a strict application of the bill's requirements would require potentially significant process and programming changes within the Department of Planning and Budget and within the Department of Legislative Automated Services (DLAS). Current systems are designed for even-numbered biennial processing and are not designed for producing a single year budget. DLAS indicates that changes to their systems may result in costs of approximately \$197,000. Agency-based budget systems in other state agencies may be impacted as well.

The Department of Planning and Budget, however, could achieve the bill's objectives if a transitional one-year budget was produced that "zeros out" one of the two years, and accompanying budget language indicates the amounts for that year do not apply. Accordingly, the introduced bill would need to be amended to provide the flexibility needed to minimize systems changes. However, the extent to which other agencies could accommodate the necessary systems changes is not known.

9. Specific Agency or Political Subdivisions Affected: The Governor's Office, Department of Planning and Budget, and the Division of Legislative Automated Systems are primarily affected. Other agencies are affected due to one-time changes in submission dates for reports and data.

10. Technical Amendment Necessary: No.

11. Other Comments: None.