

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: HB1664

House of Origin ☐ Introduced ☒ Substitute ☒ Engrossed

Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Hodges

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Governor's Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program

5. Summary: Establishes the Governor's Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program and authorizes the Governor to award grants to political subdivisions from the Governor's Agriculture and Forestry Industries Development (AFID) Fund as part of the Program. Such grants, in amounts up to \$250,000, shall be awarded as reimbursable grants to support blue catfish processing, flash freezing, and infrastructure projects. The bill directs the Secretary of Agriculture and Forestry to develop certain guidelines as provided in the bill on behalf of the Governor to facilitate the Program.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: This bill establishes the Blue Catfish Processing, Flash Freezing, and Infrastructure Grant and authorizes the Governor to award grants to political subdivisions from the Governor's AFID Fund as part of the Program. Currently, the Virginia Department of Agriculture and Consumer Services (VDACS) administers the Governor's AFID Fund, and it is anticipated that the department can absorb the administrative responsibilities for implementation of the provisions of this bill within current resources.

The introduced budget bill (HB1400/SB800) includes an appropriation of \$2.7 million the first year and \$2.5 million the second year from the general fund for AFID, with a separate appropriation of \$330,905 in each year to support administration of the program. Budget amendments adopted by the House include an additional \$2.0 million from the general fund for the Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program. This bill expands eligible projects from the Fund; all grants are subject to appropriation.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services; Secretary of Agriculture and Forestry.

10. Technical Amendment Necessary: No.

11. Other Comments: SB897, as passed the Senate, is identical to this bill.