

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number SB 569

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

2. Patron Deeds and Hanger

3. Committee Agriculture, Conservation and Natural Resources

4. Title Virginia Natural and Historic Resources Fund

5. Summary/Purpose: The bill would create the Virginia Natural and Historic Resources Fund. The moneys in the Fund would be allocated by the Secretary of Natural Resources on a quarterly basis to the Virginia Land Conservation Fund (no less than 40 percent and no more than 60 percent) and the Water Quality Improvement Fund (no less than 40 percent and no more than 60 percent). Under the provisions of the bill, a \$10 fee would be assessed on every deed for which the state recordation tax is collected and on every recordation of a certificate of satisfaction. The revenues generated from such fees would be deposited into the Virginia Natural and Historic Resources Fund.

6. Fiscal impact: Fiscal impact estimates are final:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04	\$0	0.00	N/A
2004-05	\$15,100,000	0.00	0900
2005-06	\$15,100,000	0.00	0900
2006-07	\$15,100,000	0.00	0900
2007-08	\$15,100,000	0.00	0900
2008-09	\$15,100,000	0.00	0900
2009-10	\$15,100,000	0.00	0900

Note: These amounts represent maximum potential expenditures. The actual timing of such expenditures would likely vary from year to year based on the levels of program activity.

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04	\$0	0.00	N/A
2004-05	\$15,100,000	0.00	0900
2005-06	\$15,100,000	0.00	0900
2006-07	\$15,100,000	0.00	0900
2007-08	\$15,100,000	0.00	0900
2008-09	\$15,100,000	0.00	0900
2009-10	\$15,100,000	0.00	0900

- 7. Budget amendment necessary:** No. The Governor's introduced budget bill includes a nongeneral fund appropriation of \$15.1 million in both FY 2005 and FY 2006. Any adjustments or transfers that would need to be made as a result of this bill could be handled administratively.
- 8. Fiscal implications:** The revenues and expenditures are based on estimates of revenues from the \$10 recordation tax fee.
- 9. Specific agency or political subdivisions affected:** Department of Environmental Quality; Department of Conservation and Recreation.
- 10. Technical amendment necessary:** Yes. The bill states that "The Fund shall consist of all revenue generated from the fee assessed pursuant to §10.1-2137..." (lines 29 and 30). However, the fee is assessed in §10.1-2138, and there is no §10.1-2137 in the bill.
- 11. Other comments:** Under the provisions of the substitute bill, the Virginia Natural and Historic Resources Fund would be an interest-bearing fund. The bill as introduced stated that interest earned on private funds deposited in the Fund would remain in the Fund at the end of each fiscal year, while interest earned on public funds deposited in the Fund would revert to the general fund. Both the introduced and substitute versions of the bill provide that the Virginia Natural and Historic Resources Fund would be exempt from assessments by the Department of Accounts for expenses incurred by central service agencies.

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cc: Secretary of Natural Resources
Secretary of Finance