

## Department of Planning and Budget 2007 Fiscal Impact Statement

1. **Bill Number:** HB 2546

**House of Origin** ☒ Introduced ☐ Substitute ☐ Engrossed

**Second House** ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Clark N. Hogan

3. **Committee:** Health, Welfare and Institutions

4. **Title:** Definition of projects that require certificate of public need

5. **Summary/Purpose:** Eliminates certificate of public need requirement for any capital expenditure of \$5 million or more on behalf of a medical care facility, which has not otherwise been defined as reviewable.

6. **Fiscal Impact Estimates are Preliminary:** See item #8.

**Revenue Impact:**

	<i>Dollars</i>		
<i>Fiscal Year</i>	<i>GF</i>	<i>NGF</i>	<i>Positions</i>
2006-07	-	-	0.0
2007-08	-	(\$140,000)	0.0
2008-09	-	(\$140,000)	0.0
2009-10	-	(\$140,000)	0.0
2010-11	-	(\$140,000)	0.0
2011-12	-	(\$140,000)	0.0
2012-13	-	(\$140,000)	0.0

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** The bill would eliminate the COPN requirement for any capital expenditure of \$5 million or more, not defined as reviewable in subdivisions 1 through 7 of § 32.1-102.1, by or in behalf of a medical care facility. However, capital expenditures between \$1 and \$5 million need to be registered with the Commissioner pursuant to regulations developed by Board of Health.

The capital expenditure projects that would be eliminated from the COPN requirement include seven types of projects, including parking decks, facility remodeling, and general improvements to the facility infrastructure. The elimination of the COPN requirement of these capital expenditure projects would reduce revenues by approximately \$140,000 annually beginning in FY 2008.

9. **Specific agency or political subdivisions affected:** Virginia Department of Health

**10. Technical amendment necessary:** No.

**11. Other comments:** No.

**Date:** 1/29/07

**Document:** HB2546.doc

cc: Secretary of Health and Human Resources