

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB848

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Ware, R.L.

3. Committee: Agriculture, Chesapeake, and Natural Resources

4. Title: **Lease of development rights program**

5. Summary: The bill tasks the Office of Farmland Preservation to create a lease of development rights program. Under such program, properties of 20 acres and larger and that are enrolled in use value taxation programs would be eligible to participate in a lease of development rights program. The property owner would agree to relinquish “by right” development for seven years in exchange for a contractually agreed upon lease amount. The program would be voluntary and would still allow current use value taxation programs to remain in place. The bill requires the Office of Farmland Preservation to develop regulations to address issues of lease termination and renewal and other issues necessary for the establishment of the lease of development rights programs.

6. Fiscal Impact Estimates: Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$92,000	1.0	general
2010	\$92,000	1.0	general
2011	\$92,000	1.0	general
2012	\$92,000	1.0	general
2013	\$92,000	1.0	general
2014	\$92,000	1.0	general

7. Budget Amendment Necessary: Yes, Item 94 of House Bill 30.

8. Fiscal Implications: According to the Department of Agriculture and Consumer Services, the Office of Farmland Preservation will require one additional full-time position to address the increased scope of the office as proposed by the bill. The estimated expenditures and one additional position will allow for a second position in the office with a salary of \$55,000 and benefits. An additional \$15,000 is included for operating costs, such as travel, computer and cell phone service, and office supplies, associated with the position.

The expenditure estimate does not include funding for lease payments.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services, Department of Business Assistance, Virginia Land Conservation Foundation, Virginia Outdoors Foundation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/18/2008 dpbkbs

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cc: Secretary of Agriculture and Forestry