

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** SB464

House of Origin	<u>X</u>	Introduced	<u>  </u>	Substitute	<u>  </u>	Engrossed
Second House	<u>  </u>	In Committee	<u>  </u>	Substitute	<u>  </u>	Enrolled

**2. Patron:** Whipple

**3. Committee:** Rules

**4. Title:** Virginia Commission on Energy

**5. Summary:** Establishes the Virginia Commission on Energy as a legislative commission. Its purposes include reviewing and recommending steps to implement the Virginia Energy Plan; promoting energy efficiency and energy conservation; securing reliable supplies of energy; promoting research and development in the field of alternative and renewable energy sources; reviewing state building standards; and recommending measures to secure Virginia's energy future.

**6. Fiscal Impact Estimates:**

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	\$0	0	
2009	\$157,680	2	General
2010	\$157,680	2	General
2011	\$157,680	2	General
2012	\$157,680	2	General
2013	\$157,680	2	General
2014	\$157,680	2	General

**7. Budget Amendment Necessary:** Yes, a new item will be needed since this is a new commission.

**8. Fiscal Implications:** The bill allows the commission to appoint an executive director and other staff deemed necessary to carry out its duties. For the purpose of this analysis it is assumed that the executive director will receive salary/benefits of \$100,000 with one additional staffer receiving salary/benefits of \$50,000. It is not clear from the bill if the commission staff would be housed in existing office space or if it would be necessary to rent space at an additional cost. In addition, all agencies of the Commonwealth shall provide information to the commission when requested. The cost of agency staff support is indeterminate and the legislation is unclear if these agencies will be reimbursed for services rendered.

The commission will consist of 15 members and meet no more than four times per year. commission members shall be compensated according to their status and have expenses

reimbursed. Citizen members will be reimbursed at \$50 per diem, General Assembly members at \$200 per diem, and ex officio members will receive no per diem compensation. If the General Assembly is in session delegates will receive expenses, but no compensation. This analysis assumes that 30 percent of the members live near Richmond and their expenses would be \$20 per meeting, 30 percent live in central Virginia and their expenses would be \$50 per meeting, and the remaining members would incur expenses of \$120 per meeting. The calculations for expenses and compensation to fund the commission are as follows:

#### **Estimated expenses and compensation annual costs**

Number of commission members (7 are legislative):	15
Commission staff:	2
Meetings per year when GA is not in session:	3
Meetings per year when GA in session:	1
Expense Reimbursement:	\$20 - \$120
(30% at \$20; 30% at \$50; 40% at \$120)	
Compensation per day:	\$50 & \$200

#### **Calculations**

##### **Compensation Summary:**

7 ex officio members*\$0	\$0
4 citizen members*\$50*4 annual meetings	\$800
4 General Assembly members*\$200*3 meetings	\$2,400
1 commission staffer	\$50,000
1 commission executive director	<u>\$100,000</u>
<b>Total annual compensation</b>	<b>\$153,200</b>

##### **Expense Summary:**

4 members*\$20*4 annual meetings	\$320
4 members*\$50*4 annual meetings	\$800
7 members*\$120*4 annual meetings	<u>\$3,360</u>
<b>Total annual expenses</b>	<b>\$4,480</b>

**9. Specific Agency or Political Subdivisions Affected:** House of Delegates, Senate of Virginia, Secretary of Agriculture and Forestry, Secretary of Natural Resources, Secretary of Transportation, Secretary of Education

**10. Technical Amendment Necessary:** No

**11. Other Comments:** No

**Date:** 1/15/2008 cxh

**Document:** G:\EFIS\2008\SB464.doc

cc: Secretary of the Commonwealth