

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB464H1

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

2. Patron: Whipple and Ticer

3. Committee: Rules

4. Title: Virginia Commission on Energy and Climate Change

5. Summary: Establishes the Virginia Commission on Energy and Climate Change (the commission) as a legislative commission. Its purposes include reviewing and recommending steps to implement the Virginia Energy Plan and the Climate Change Action Plan; promoting energy efficiency and energy conservation; identifying 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. A special nonreverting fund is established to support the commission's work.

6. Fiscal Impact Estimates: Preliminary, see Item 8

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	\$0	0	n/a
2009	\$14,080	0	General/Nongeneral
2010	\$14,080	0	General/Nongeneral
2011	\$14,080	0	General/Nongeneral
2012	\$0	0	n/a
2013	\$0	0	n/a
2014	\$0	0	n/a

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

8. Fiscal Implications: 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.

Staff support is to be provided by the Office of the Clerk of the House of Delegates or the Office of the Clerk of the Senate, the Division of Legislative Services, and all agencies of the Commonwealth upon request from the commission. The cost of staff support is

indeterminate and the legislation is unclear if these agencies will be reimbursed for services rendered.

The bill also permits the commission to establish advisory committees. Persons serving on the advisory committees will not receive compensation, but will be reimbursed for expenses. The costs associated with the advisory committees are indeterminate since no detail is given as to their size or meeting frequency. For the purpose of this analysis, it is assumed the advisory committees will consist of 10 members and meet no more than four times per year.

Estimated expenses and compensation annual costs

Number of commission members (8 are legislative):	15
Commission meetings per year when GA is not in session:	3
Commission meetings per year when GA is in session:	1
Number of advisory committee members:	10
Advisory committee meetings per year:	4
Expense reimbursement:	\$20 - \$120
(30% at \$20; 30% at \$50; 40% at \$120)	
Commission compensation per day:	\$50 & \$200

Calculations

Commission compensation summary:

3 ex officio members*\$0	\$0
4 citizen members*\$50*4 annual meetings	\$800
8 General Assembly members*\$200*3 meetings	<u>\$4,800</u>
Total annual compensation	\$5,600

Commission expense summary:

5 members*\$20*4 annual meetings	\$400
5 members*\$50*4 annual meetings	\$1,000
7 members*\$120*4 annual meetings	<u>\$3,360</u>
Total annual expenses	\$4,760

Advisory committees expense summary:

3 members*\$20*4 annual meetings	\$240
3 members*\$50*4 annual meetings	\$600
6 members*\$120*4 annual meetings	<u>\$2,880</u>
Total annual expenses	\$3,720

If the commission is not funded by a separate appropriation in its first year of existence, the bill states how the commission may be funded from the operating budgets of the Clerk of the Senate and the Clerk of the House of Delegates upon the approval of the Joint Rules Committee. If the commission is not funded by a separate appropriation any year thereafter, this funding mechanism will expire on July 1 of the year that the commission fails to receive funding. Furthermore, the bill proposes to create a special nonreverting fund known as the Virginia Commission on Energy and Climate Change Fund (the fund). The fund would consist of gifts, grants and donations, bequests, or other funds from any source received by the commission for its work.

9. Specific Agency or Political Subdivisions Affected: House of Delegates; Senate of Virginia; State Corporation Commission; Division of Mines, Minerals and Energy

10. Technical Amendment Necessary: No

11. Other Comments: This bill incorporates SB 627 (Ticer).

Date: 3/6/2008 cxh

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cc: Secretary of the Commonwealth