

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: SB1350

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

2. Patron: Wagner

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: **Marine Resources Commission; offshore renewable resources**

5. Summary: The bill provides the Marine Resources Commission with the authority to lease subaqueous lands for the purpose of generating electrical energy from wave or tidal action, currents, offshore winds, or thermal or salinity gradients and transmit energy from such sources to shore and requires that any leases require a royalty. All royalties collected will be appropriated to the Virginia Coastal Energy Research Consortium. Enactment clauses direct the Marine Resources Commission to determine whether sufficient and appropriate subaqueous lands exist to support a commercial offshore wind farm and, if such land exists, offer it for development in a lease auction.

6. Fiscal Impact Estimates: Indeterminate, see item 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The revenue that will be generated as a result of leases of subaqueous lands for generating electricity or transmitting energy from such generating facilities cannot be determined. The bill specifies that the royalties will be appropriated to the Virginia Coastal Energy Research Consortium.

9. Specific Agency or Political Subdivisions Affected: Marine Resources Commission, Virginia Coastal Energy Research Consortium.

10. Technical Amendment Necessary: No.

11. Other Comments: The second enactment clause directs the Marine Resources Commission to determine whether sufficient and appropriate subaqueous lands exist to support a commercial offshore wind farm, and the third enactment clause states that if such land exists, the commission shall offer the land for development in a lease auction. The forth enactment specifies that nothing in the act requires or prohibits auctions for transmission of renewable energy generated in federal waters.

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cc: Secretary of Natural Resources