

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB262

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

2. Patron: Sherwood

3. Committee: General Laws

4. Title: One-stop small business permitting program; fees for veterans.

5. Summary: This bill exempts veterans from paying application or permitting fees to permit-issuing agencies when establishing a small business through the one-stop small business permitting program conducted by the Department of Business Assistance. Veterans are also exempted from paying the Department's handling fee. The Department is required to pay application or permitting fees to permit-issuing agencies on behalf of exempt veterans from the Comprehensive Permitting Fund.

6. Fiscal Impact Estimates: Preliminary. See item 8.

7. Budget Amendment Necessary: Yes, item 98.

8. Fiscal Implications: This bill will have a fiscal impact on the Department of Business Assistance (DBA) and the Business One Stop Program (BOS).

The bill provides that DBA shall pay, on behalf of any veteran, any application fee to the regulatory agency required to assess such fee. This fee is to be paid from the Comprehensive Permitting Fund. While the fiscal impact of this bill could be quite significant, the number of fee payments, veterans, and the total amounts are indeterminate. DBA does not anticipate having sufficient funds in the Comprehensive Permitting Fund to pay the fees of every veteran who may need permitting from a state agency.

Given that this bill exempts veterans from paying application or permitting fees through the Business One Stop Program, the program system would need to be updated in order to receive and store the Veteran number/identifier and to communicate with other agencies' databases to indicate that a fee is not required. DBA estimates a one-time reprogramming fee of \$20,000 in FY2011. This system update also would increase VITA fees by approximately \$50 per month.

9. Specific Agency or Political Subdivisions Affected: Department of Business Assistance; Any agency to which the Department of Business Assistance would provide payment for permitting fees.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/1/2010 dpbbrb

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