

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** SB730

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

**2. Patron:**        Reynolds

**3. Committee:** Finance

**4. Title:**        **Major Employment and Investment Project Site Planning Grant Fund.**

**5. Summary:** Establishes the Major Employment and Investment Project Site Planning Grant Fund to award grants to political subdivisions to assist in site development work for certain prospective projects. The bill provides that the Fund will sunset on July 1, 2014, if no appropriation has been made by the General Assembly, or no gifts, grants, or donations have been made from public or private sources to the Fund by that date.

**6. Fiscal impact estimates are preliminary.** See item 8, below.

**7. Budget Amendment Necessary:** See item 8, below.

**8. Fiscal Implications:** Establishing the fund does not have a fiscal impact; however, capitalizing the fund would have a fiscal impact. Governor McDonnell has proposed a budget amendment to provide \$5 million, from the general fund, in FY 2011 to capitalize the fund.

The Virginia Economic Development Partnership will administer the program and establish guidelines for awarding grants. There may be some costs associated with these additional responsibilities; however, any impact is expected to be minimal and can be absorbed within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Economic Development Partnership, localities.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** HB1381 also establishes the Major Employment and Investment Project Site Planning Grant Fund.

**Date:** 2/8/2010    tmw

**Document:** G:\2010 Session\Legislation\SB730.Doc