

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB932

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Lingamfelter

3. Committee: Passed Both Houses

4. Title: Nutrient management.

5. Summary: This bill expands the Voluntary Nutrient Management Plan Program to also assist owners and operators of agricultural lands and turf in achieving economic benefits from the effective management and application of nutrients. The bill adds representatives to the stakeholder group, specifically farmers who currently operate farms, agribusiness representative who serve the farming community; and specifies that the group is to include at least two members and a staff member of the Virginia delegation to the Chesapeake Bay Commission and one representative from the Rappahannock River Basin Commission. The bill sets dates for the Department of Conservation and Recreation (DCR) to begin testing the program software and enact full implementation of the program, and exempts the information collected from the Virginia Freedom of Information Act. The bill contains an enactment clause that allows DCR to defer the development of program software until funds are available.

6. Budget Amendment Necessary: No.

7. Fiscal Impact: Final, see item 8.

8. Fiscal Implications: The bill expands the services provided through the program to include assistance in achieving economic benefits from the effective management and application of nutrients. The deadlines and additional services established by this bill are anticipated to result in additional software costs to DCR.

The bill authorizes DCR to delay implementation of the software until funds are available to support program operating costs, this bill will not result in unfunded costs for the agency. According to the agency, these specific costs are estimated at \$265,000 the first year, \$125,000 the second year, and \$93,000 each year thereafter. Costs in the first two years are related to program development, support, outreach, testing, and standard operational expenses (technology, travel, supplies). Ongoing costs include outreach, data assessment, and standard operational support.

The bill specifies that monies to support these costs are to come from the Nutrient Management and Certification Fund. Currently, monies in this fund are derived from program fees. As such, it is anticipated that this bill will not result in additional costs to the agency since sufficient fee revenue needs to accrue before DCR is required to incur operating costs.

The Chesapeake Bay Commission anticipates being able to absorb any additional costs resulting from this bill within existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of Conservation and Recreation, Chesapeake Bay Commission.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 3/14/12