

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: SB338

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

2. Patron: Newman

3. Committee: Finance

4. Title: Virginia Investment Partnership Act; definitions.

5. Summary: Virginia Investment Partnership Act; definitions. Decreases from five to three years the legal presence requirement to be considered an existing Virginia manufacturer under the Virginia Investment Partnership Act. The bill contains a technical amendment.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: It is anticipated that reducing the legal presence requirement from five years to three years may result in an increase in the number of companies that may be eligible for a grant under the program. However, there is a three year lag between a company's performance under the Virginia Investment Partnership (VIP) program and its receiving of a grant payment. Therefore, there would be no fiscal impact in the 2012-2014 biennium.

Any fiscal impact associated with the proposed legislative changes would depend on the number of projects that qualify for grants under the program and the amounts appropriated to fulfill the grant commitments. Payment of awards is subject to appropriation.

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

10. Technical Amendment Necessary: No.

11. Other Comments: HB243 is the companion to this bill.

Date: 1/19/12