

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: SB362

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: Saslaw

3. Committee: Passed Both Houses.

4. Title: Entrepreneur-in-Residence Program; created.

5. Summary: This bill creates the Entrepreneur-in-Residence Program, a pilot program administered by the Secretary of Commerce and Trade to improve outreach by state government to the private sector. The objectives of the Program are to (i) strengthen coordination and interaction between state government and the private sector on issues relevant to entrepreneurs and small business concerns, and (ii) make state government programs and operations simpler, easier to access, more efficient, and more responsive to the needs of small business concerns and entrepreneurs. The program has a 2017 sunset date.

The engrossed bill provides that the Secretary of Commerce and Trade is authorized to enter into an agreement with Virginia Commonwealth University (VCU) or other public institutions of higher education for the management and oversight of the program.

An enactment clause has been provided stating that the bill shall satisfy the reenactment requirement of Chapter 788 of the 2013 Acts of Assembly.

6. Budget Amendment Necessary: Indeterminate, see item 8.

7. Fiscal Impact Estimates: Final, see item 8.

8. Fiscal Implications: The fiscal implications of this bill are indeterminate at this time. In this bill, the Secretary of Commerce and Trade is to develop and administer a pilot program referred to as the Entrepreneur-in-Residence Program. As a provision of the bill, the Secretary shall appoint up to 10 individuals per year to serve as entrepreneurs-in-residence with state agencies. These individuals shall serve two-year terms. The bill specifies that the Entrepreneurs-in-residence shall serve without compensation but may receive reasonable and necessary expenses, as prescribed in § 2.2-2825, Code of Virginia, at the discretion of the agency head under which they serve.

As provided in the bill, any costs incurred in the operation of the program shall be provided by nonstate sources of funding. Additionally, the bill provides that agency heads may reimburse the Entrepreneurs-in-residence for reasonable expenses, but no funding source is specified. At this time, the potential costs of the program as well as the possible sources of nonstate funding are unknown.

The engrossed bill authorizes the Secretary of Commerce and Trade to enter into an agreement with VCU or other institutions of higher education for management and oversight for the planning, development, and operation of the program. At this time, VCU does not anticipate a fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Secretary of Commerce and Trade; state agencies.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to HB321 as enrolled.