

Department of Planning and Budget

2016 Fiscal Impact Statement

1. Bill Number: HB 638

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: Bell, J.J.

3. Committee: Education

4. Title: Public institutions of higher education; public-private partnerships; wind and solar power.

5. Summary: Permits each public institution of higher education to enter into a public-private partnership with any private entity whereby such entity is permitted to use at no cost property owned or controlled by such public institution of higher education for the generation of wind or solar power in exchange for offering educational immersion programs for student in high school and those at public institutions of higher education, to provide hands-on education and training in the construction, operations, and maintenance of its wind or solar power generators. The bill requires any energy produced by such solar or wind power generators to be (i) used to provide power for the partner public institution of higher education or (ii) introduced to applicable power grids and sold at market rates, with profits split as agreed upon by the private entity and the partner public institution of higher education. The bill requires any such profits gained by the partner public institution of higher education to be used to further research, expand clean energy education programs, or lower student tuition rates.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Indeterminate. See item 8.

8. Fiscal Implications: There is potential revenue enhancement or cost-savings for institutions of higher education that may result from this legislation. However, the scale of potential projects may limit such revenue generation or cost savings. Because any potential profits would likely be split amongst partners, and because there will likely be some associated program costs, revenues or savings may be negligible depending on the project scale. It is anticipated that any program costs can be absorbed by the institutions of higher education or accounted for in the public-private partnership agreements, at no cost to the Commonwealth.

9. Specific Agency or Political Subdivisions Affected: Virginia public institutions of higher education.

10. Technical Amendment Necessary: No.

11. Other Comments: None.