

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB1297

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Hugo

3. Committee: Rules

4. Title: Virginia-Israel Advisory Board.

5. Summary: This bill shifts the existing Virginia-Israel Advisory Board from an executive branch advisory board to a legislative branch advisory board. The bill also alters the membership of the Board by (i) increasing from six to seven citizen members appointed by the Speaker of the House of Delegates, (ii) increasing from six to seven citizen members appointed by the Senate Committee on Rules, and (iii) decreasing from 13 to 11 members appointed by the Governor. The bill specifies that funding for the expenses of members of the Board, as well as staff and operations of the Board, shall be paid by the Board through an appropriation provided by the General Assembly.

6. Budget Amendment Necessary: Yes, to Item 103 of HB30/SB30. A new Item will be required under the Division of Legislative Services.

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

7a.1 Expenditure Impact: New Item under the Division of Legislative Services

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|--------------|
| 2018 | n/a | n/a | n/a |
| 2019 | \$215,184 | n/a | General fund |
| 2020 | \$215,184 | n/a | General fund |
| 2021 | \$215,184 | n/a | General fund |
| 2022 | \$215,184 | n/a | General fund |
| 2023 | \$215,184 | n/a | General fund |
| 2024 | \$215,184 | n/a | General fund |

7a.2 Expenditure Impact: Item 103 – Economic Development Incentive Payments

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|--------------|
| 2018 | n/a | n/a | n/a |
| 2019 | (\$215,184) | n/a | General fund |
| 2020 | (\$215,184) | n/a | General fund |
| 2021 | (\$215,184) | n/a | General fund |
| 2022 | (\$215,184) | n/a | General fund |
| 2023 | (\$215,184) | n/a | General fund |
| 2024 | (\$215,184) | n/a | General fund |

- 8. Fiscal Implications:** Currently, the Virginia-Israel Advisory Board is supported through a general fund appropriation from the Commonwealth in the executive branch. This appropriation is authorized under Item 103, Economic Development Incentive Payments (EDIP, of the introduced budget bill, HB30/SB30, in an amount of \$215,184 in both years of the biennium. Currently, the Division of Selected Agency Support Services, under the Secretary of Administration, serves as fiscal agent for the Board, as EDIP is a holding account. As this bill shifts the Board to the legislative branch, this appropriation will need to be transferred from Item 103, EDIP, to the Division of Legislative Services. A new Item under DLS will be required to set out the Virginia-Israel Advisory Board. It is anticipated that DLS will serve as fiscal agent for the Board, and that this function will not require additional resources.

The bill specifies that funding for the expenses of members of the Board, as well as staff and operations of the Board, shall be paid by the Board through an appropriation provided by the General Assembly. It is anticipated that the appropriation from the general fund in HB30/SB30 is sufficient to support these expenses. The bill also includes an enactment clause specifying that any unexpended balances of the Board that have accrued in the executive department shall be transferred to the Board in the legislative department. Any current appropriations that may be unexpended at the end of the current fiscal year are unknown and will need to be administratively transferred to the Division of Legislative Services for expenditure in the upcoming biennium.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia-Israel Advisory Board; Division of Legislative Services; Secretary of Administration; Secretary of Commerce and Trade; Office of the Governor.

- 10. Technical Amendment Necessary:** Yes, line 69, strike “Israeli” and insert “Israel”.

- 11. Other Comments:** None.