

## Department of Planning and Budget 2018 Fiscal Impact Statement

**1. Bill Number:** HB493

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:** Hodges

**3. Committee:** Agriculture, Chesapeake and Natural Resources

**4. Title:** Stormwater Local Assistance Fund; grants; administrative costs.

**5. Summary:** Authorizes the recipient of a grant from the Stormwater Local Assistance Fund (SLAF) to use a portion of the grant funds to pay for reasonable administrative costs. The bill also allows a grant recipient to count the fair market value of administrative services as an in-kind match for as much as half of the amount of any matching funds required.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary.

**8. Fiscal Implications:** SLAF is funded through Virginia Public Building Authority tax-exempt bonds and cannot be used for operational expenses, such as administrative costs. Taxable bonds would need to be issued in order for SLAF to be used for administrative costs. Interest rates on taxable bonds are higher than the interest rate in tax-exempt bonds. The Commonwealth pays interest on these bonds.

It is anticipated that this bill will not have a fiscal impact on the Department of Environmental Quality (DEQ).

**9. Specific Agency or Political Subdivisions Affected:** Department of Environmental Quality; Department of the Treasury; localities

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.