

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB216

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: Cosgrove

3. Committee: General Laws and Technology

4. Title: Virginia Economic Development Partnership Authority; Managing Director of Aerospace and Aviation.

5. Summary: This bill requires the Chief Executive Officer of the Virginia Economic Development Partnership Authority to employ, or appoint an existing employee as, a Managing Director of Aerospace and Aviation, who shall encourage, stimulate, and support the development and expansion of the aerospace and aviation industries in the Commonwealth.

6. Budget Amendment Necessary: No. See item 8.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: The bill requires the Chief Executive Officer of the Virginia Economic Development Partnership Authority (VEDP) to employ, or appoint an existing employee as, a Managing Director of Aerospace and Aviation. Currently, VEDP employs three staff members, two Managing Directors and one Business Investment Manager, who are responsible for project management and the development and implementation of a comprehensive lead generation strategy that successfully targets specific industry sectors. One of these sectors is Aerospace and Aviation. Each Managing Director is currently assigned three industry sectors and is responsible for fully understanding the industry and developing a lead generation strategy for those sectors. If VEDP were to designate a sole existing employee to the Aerospace/Aviation sector, it is anticipated that one of the Managing Directors would be appointed for the role. VEDP would be required to reassign the remaining industry sectors to other members of the Business Investment team. As such, VEDP's effectiveness cultivating the other industry sectors may be affected, and VEDP may need to hire a replacement Managing Director. The estimated cost of hiring a replacement Managing Director is \$176,000 annually, from the general fund, including salary, benefits, and operating expenses.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.