

Department of Planning and Budget

2019 Fiscal Impact Statement

1. Bill Number: HB2637

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: Webert

3. Committee: Passed both Houses.

4. Title: Loans and grants for agricultural best management practices; riparian buffers.

5. Summary: Authorizes the State Water Control Board to issue loans and grants from the Virginia Water Facilities Revolving Fund for the construction, renovation, improvement, or equipping of facilities or structures to implement agricultural best management practices (AgBMPs) to prevent pollution of state waters. Current law authorizes the Board to only issue loans for the construction of such facilities. The bill includes among the types of facilities or structures for which a loan or grant may be issued riparian buffers planted in trees and maintained in accordance with the terms and conditions of the loan or grant.

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

8. Fiscal Implications: It is anticipated that any administrative expenditure impact on the Department of Environmental Quality (DEQ) resulting from this measure can be absorbed within existing resources. The potential disbursement of grants as a result of this bill is not possible to estimate, as the number of applications that DEQ may receive is unknown. DEQ suspended its AgBMP program in 2016 due to a decline in demand. With the passage of this bill and reinstatement of the program, DEQ anticipates that interest of potential borrowers will increase, resulting in increased demand for assistance from the Fund. The average amount for an AgBMP loan was approximately \$94,000. As of June 30, 2018, the Fund maintained an unencumbered account balance of approximately \$28 million. The Virginia Resources Authority (VRA) currently administers the Virginia Water Facilities Revolving Fund and expects no fiscal impact from this measure.

9. Specific Agency or Political Subdivisions Affected: DEQ; VRA.

10. Technical Amendment Necessary: No.

11. Other Comments: None.