Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** SB1658

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

2. **Patron:** Chafin

3. **Committee:** Finance

4. **Title:** Tobacco Indemnification and Community Revitalization Fund; investments in Virginia Venture Capital.

5. **Summary:** Authorizes the Tobacco Region Revitalization Commission (the Commission) to invest up to 10 percent of its annual disbursements from the Tobacco Indemnification and Community Revitalization Fund in Virginia venture capital accounts that have been certified by the Department of Taxation.

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

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

8. **Fiscal Implications:** This bill authorizes the Tobacco Region Revitalization Commission to invest up to 10 percent of its annual disbursements from the from the Tobacco Indemnification and Community Revitalization Fund in Virginia venture capital accounts that have been certified by the Department of Taxation. The Commission is funded through proceeds from the Master Settlement Agreement signed in 1998. According to the Commission, the approved FY 2019 budget totals $21.2 million, and the budget in the outgoing years is expected to decrease as the endowment is reduced. It is anticipated that investing up to 10 percent of its annual disbursements from the Fund would result in investments of approximately $2.0 million to $5.0 million annually. Diverting these funds from the Tobacco Indemnification and Community Revitalization Fund for the purpose in this bill will have an impact on other programs administered by the Commission.

    According to the Department of Taxation, this bill will not result in a fiscal impact.

9. **Specific Agency or Political Subdivisions Affected:** Tobacco Region Revitalization Commission; Department of Taxation.

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

11. **Other Comments:** HB2190, as introduced, is the companion to this bill.