

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: HB1509

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: McQuinn

3. Committee: Passed both Houses.

4. Title: Virginia Food Access Investment Program and Fund.

5. Summary: Creates the Virginia Food Access Investment Program and Fund to provide funding for the construction, rehabilitation, equipment upgrades, or expansion of grocery stores, small food retailers, and innovative food retail projects, defined in the bill, in underserved communities. The provisions require the Department of Agriculture and Consumer Services to establish an Equitable Food Oriented Development stakeholder work group to develop recommendations for design elements for the program.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: This bill establishes a new fund and grant program referred to as the Virginia Food Access Investment Program. To capitalize the fund and make it operational, a budget amendment will be required. Conference amendments to HB30/SB30 provide \$1,000,000 for the grant program and \$125,000 and one position in FY 2021 and \$125,000 and one position in FY 2022 from the general fund to effectuate the provisions of this bill.

The bill directs the Department of Agriculture and Consumer Services (VDACS) to administer this program. VDACS shall select and work in collaboration with a community development financial institution that provides credit and financial services for underserved communities (CDFI) to assist in administering the program. The bill provides that up to 10 percent of the moneys in the Fund may be designated for the CDFI's administrative and operations costs to assist in administering and managing the program; the bill does not authorize VDACS to charge administrative costs.

VDACS estimates that to administer this new program in conjunction with staff assistance from the CDFI, at least one position will be required at an annual cost of \$111,805, including benefits and operating expenses.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services.

10. Technical Amendment Necessary: No.

11. Other Comments: SB1073 is the companion to this bill.