

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2253

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: Wampler

3. Committee: Appropriations

4. Title: Economic Development Access Program, bonded projects.

5. Summary: Imposes a 48-month moratorium on the repayment of funds allocated to a locality for a bonded project pursuant to the Economic Development Access Program, provided that the conditions of the Commonwealth Transportation Board's economic development access policy are met. The bill has an emergency clause.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See item 8.

8. Fiscal Implications: According to the Virginia Department of Transportation, there are currently 16 bonded Economic Development Access (EDA) projects in 15 localities that are potentially impacted by this moratorium. Without this legislation, five localities, with grants for five separate projects, would be required to provide immediate payback of funding in FY 2021 because the projects have not met capital investment requirements of the grant. The additional 10 localities, with grants for 11 separate projects, would be required to repay their grant allocations over the next four years, should the locality not meet grant conditions. The amount of repayments for projects potentially eligible for the proposed moratorium by the localities is \$2,084,075 in FY 2021, \$520,000 in FY 2022, \$880,000 in FY 2023, \$1,140,000 in FY 2024 and \$1,400,000 in FY 2025. The proposed legislation requires all of the other conditions of the Commonwealth Transportation Board's economic development access policy be met in order to qualify for the moratorium.

The 16 localities with bonded EDA projects that would potentially be affected include the counties of Bland, Botetourt, Carroll, Franklin, Henrico, Henry, Prince Edward, Pulaski, Shenandoah, Spotsylvania, and Wythe; the cities of Roanoke and Suffolk; and the towns of Front Royal and West Point.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Transportation, localities with bonded Economic Development Access projects.

10. Technical Amendment Necessary: No.

11. Other Comments: None.