

## Department of Planning and Budget 2021 Fiscal Impact Statement

**1. Bill Number:** HB1978

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

**2. Patron:** David A. Reid

**3. Committee:** Rules

**4. Title:** Legislative Staff Development Fund.

**5. Summary:** Establishes the Legislative Staff Development Fund (Fund) to encourage and support the professional development of legislative staff. The bill defines "legislative staff" as salaried staff of a member of the House of Delegates or Senate of Virginia. The bill increases the annual lobbyist registration fee for each for-profit entity from \$100 to \$400 and directs the \$300 increase to be deposited into the Fund for the purposes described in the bill. Under the bill, any moneys remaining in the Fund at the end of each fiscal year that have not been expended for the purposes described in the bill shall revert to the general fund and be used exclusively to fund the Virginia Conflict of Interest and Ethics Advisory Council.

**6. Budget Amendment Necessary:** Yes, Item 24

**7. Fiscal Impact Estimates:** Indeterminate, see Item 8.

**8. Fiscal Implications:** The Virginia Conflict of Interest and Ethics Advisory Council (Council) indicates the average lobbyist registration for the past four Lobbying Years (May 1 – April 30) is approximately 2,495 registrations per year. The Council estimates sixty percent of registrations are not for-profit entities, while forty percent are for-profit entities. If registrations continue at the current rate, about \$299,400 could be deposited into the Legislative Staff Development Fund (Fund) per year. The Council indicates they do not know if the increase to the lobbyist fee will decrease the number of registrations.

The Council indicates the two registration types will require a new field to be created on the registration form. The Division of Legislative Automated Services (DLAS) estimates the fiscal impact for this programming change will not be large. DLAS did indicate they do not have the resources to add the additional field by July 1, 2021, but would have the resources to complete the field by the start of the 2022-2023 lobbying year.

It is unknown how many legislative staff will apply for reimbursement and the amount of reimbursement for staff each year. It is also unknown how many funds will remain in the Fund at the end of the fiscal year and revert to the General Fund.

**9. Specific Agency or Political Subdivisions Affected:** The Virginia Conflict of Interest and Ethics Advisory Council, House of Delegates, Senate of Virginia, Division of Legislative Automated Services

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

**11. Other Comments:**