

## Department of Planning and Budget 2023 Fiscal Impact Statement

**1. Bill Number:** SB1239

**House of Origin**    ☐ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☒ Enrolled

**2. Patron:**    Obenshain

**3. Committee:** Passed both Houses

**4. Title:**    Dairy Producer Margin Coverage Premium Assistance Program; created, removes sunset provision.

**5. Summary:** Creates in the state treasury a special nonreverting fund to be known as the Dairy Producer Margin Coverage Premium Assistance Program Fund. The bill changes the expiration date of July 1, 2023, of the Dairy Producer Margin Coverage Premium Assistance Program to July 1, 2028.

**6. Budget Amendment Necessary:** No. See Item 8.

**7. Fiscal Impact Estimates:** Final. See Item 8.

**8. Fiscal Implications:** Until such time as the Fund is capitalized, it is anticipated that this bill will not have a fiscal impact on either the Virginia Department of Agriculture and Consumer Services (VDACS) or the Department of Conservation and Recreation.

Previous funding for the Dairy Producer Margin Coverage Premium Assistance Program consisted of \$1.0 million from the general fund in FY 2022 in Chapter 552, 2021 Acts of Assembly, Special Session I, and \$1.0 million from the general fund in FY 2023 in Chapter 2, 2022 Acts of Assembly, Special Session I.

VDACS has not yet distributed any of the \$1.0 million appropriated in FY 2023. The current Appropriation Act and the Introduced budget bill do not include language mandating the reappropriation of these funds; any funds that may remain at the end of the fiscal year would revert to the general fund.

Both the House Appropriations and the Senate Finance and Appropriations committees have approved budget amendments adding \$1.0 million from the general fund to this program in fiscal year 2024.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Agriculture and Consumer Services, Department of Conservation and Recreation

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

**11. Other Comments:** This is the companion to HB1660.