

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

Fiscal Analysis: According to the Department of Fire Programs (DFP), an additional 1.00 fulltime equivalent position and \$118,025 nongeneral fund appropriation is required to administer the proposed expanded grant program. The required position is a Grants Administrator with a base salary of \$75,000. Existing provisions in § 38.2-401 of the Code of Virginia allows for a portion of the nongeneral fund revenues generated from the assessment on certain insurance companies to be used to carry out the powers and duties assigned to DFP, which would include the proposed Aid to Localities Grant Program. According to the agency, the 0.5 percent increase to assessments on certain insurance companies would generate sufficient revenue to fund the required position.

Preliminary estimates indicate that the 0.5 percent increase to assessments on certain insurance companies, as proposed by the bill, may generate the following annual nongeneral fund revenues for the Fire Programs Fund:

- FY26: \$71,786,665
- FY27: \$78,349,098
- FY28: \$84,911,531
- FY29: \$91,473,965
- FY30: \$98,036,399

The Virginia State Corporation Commission (SCC) is the entity responsible for collecting the assessment on certain insurance companies on behalf of DFP. The SCC may be able to provide more accurate revenue generation estimates, but such estimates are not yet available.

Other: None.