

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

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.

According to the State Corporation Commission (SCC)—which is the entity responsible for collecting the assessment on certain insurance companies—there is no fiscal impact on the Bureau of Insurance within the SCC to administratively change the assessment amount to 1.5 percent on certain insurance companies as proposed in the bill. Based on the current revenue, the projected revenue at the higher assessment rate is as follows:

Current Assessment Amounts Based on 1 Percent Assessment on Gross Premium Income		Projected New Assessment Amounts Based on the 1.5 Percent Assessment on Gross Premium Income	
FY2025	\$68,368,252	FY2025	\$102,552,378
FY2026	\$74,618,189	FY2026	\$111,927,284
FY2027	\$80,868,125	FY2027	\$121,302,188
FY2028	\$87,118,062	FY2028	\$130,677,893
FY2029	\$93,367,999	FY2029	\$140,051,999
FY2030	\$99,617,935	FY2030	\$149,426,903

Other: None.