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

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Bill Number: HB 1616 ER Patron: Feggans

Bill Title: Department of Energy; Offshore Wind Industry Workforce Program and Fund.

Bill Summary: The bill directs the Director of the Virginia Department of Energy to develop training resources for the offshore wind industry, focusing on technical and soft skills for workers in various trades. The Director will assess local industry needs and may create a training program to meet safety standards for offshore wind workers. Priority will be given to veterans, local workers, and those from economically disadvantaged communities. The Director will collaborate with educational institutions and use available funding to support workforce development, coordinating with the Transmission Siting and Economic Development Program and the Hampton Roads Workforce Council.

Budget Amendment Necessary: See Analysis, below. Items Impacted: 109

Explanation: This bill involves the Department of Energy (Energy); however, the need for general fund

support is unclear at this time.

Fiscal Summary: It is anticipated that this bill will have an ongoing fiscal impact on Energy of \$150,000; however, federal grant funding may be available. See analysis, below.

Expenditure Impact:

| <u>Agency</u> | <u>FY2025</u> | <u>FY2026</u> | FY2027 | FY2028 | FY2029 | FY2030 |
|---------------|---------------|---------------|-----------|-----------|-----------|-----------|
| Energy | - | \$150,000 | \$150,000 | \$150,000 | \$150,000 | \$150,000 |

Fiscal Analysis: The Department of Energy anticipates that one additional FTE will be required to carry out the duties described in the bill resulting in an annual expense of \$150,000. Energy received a \$16 million grant from the U.S. Department of Energy in 2024 to support workforce training programs related to ongoing offshore wind development in the Hampton Roads region.

The bill states that funding for developing the training resources may include existing sources of local, state, or federal funding and grant resources for the purposes of identifying and developing skills required to support workforce development in the offshore wind industry and expand the offshore wind industry in the Commonwealth. Energy anticipates that some, but not all, of the work required may overlap with the scope of existing grants.

Other: None.