

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB465

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Marsden

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Virginia Land Conservation Foundation.

5. Summary: Allows land trusts that have been accredited by the Land Trust Accreditation Commission or a similar set of standards and practices adopted by the Virginia Land Conservation Board of Trustees (the Board) to hold an interest in land other than a fee simple interest as a result of a grant or transfer from the Virginia Land Conservation Foundation (the Foundation) without a co-holder. Current law requires that certain interests in land as a result of a grant or transfer from the Foundation be held jointly by a holder and a public body. The bill also allows, whenever a holder acquires fee simple interest in land as a result of a grant or transfer from the Foundation, the Board to accept a reversionary interest in such land as an alternative to a public body holding an open space easement in such land.

6. Budget Amendment Necessary: Yes, a nongeneral fund amendment to Item 360. Note – a nongeneral fund appropriation increase may also be provided administratively in lieu of a budget amendment.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2024	n/a	n/a	n/a
2025	\$156,589	1	NGF
2026	\$156,589	1	NGF
2027	\$156,589	1	NGF
2028	\$156,589	1	NGF
2029	\$156,589	1	NGF
2030	\$156,589	1	NGF

8. Fiscal Implications: It is anticipated that this bill will require the Virginia Land Conservation Board to create and administer a new grant process for accredited land trusts. The Department of Conservation and Recreation (DCR) anticipates that with the additional responsibilities associated with eliminating the public body holder and creation of reversionary interests, one full-time position will be required to handle the increased workload. Such new responsibilities would include working with the Attorney General’s Office to establish procedures to ensure reversionary interests held by the Board are

protective of the conservation purposes the grants were made to protect in perpetuity and establishing a program for monitoring reversionary interests.

Section 10.1-1020 G., Code of Virginia, authorizes up to \$250,000 per year of the interest generated by the Virginia Land Conservation Fund for the Foundation's administrative expenses. It is anticipated that a full-time position would require \$156,589 in nongeneral fund appropriation from the Fund. The average interest accrued in the Fund over the last three years was approximately \$208,000, and so far in FY 2024, the interest accrual totals \$354,000. Depending on interest rates and the amount of principal earning interest, additional resources may be needed in the future to administer the program.

9. Specific Agency or Political Subdivisions Affected: Department of Conservation and Recreation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.