

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1188

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

2. Patron: Hashmi

3. Committee: Passed the Senate.

4. Title: Virginia Agriculture Food Assistance Program and Fund; established.

5. Summary: Requires the Commissioner of Agriculture and Consumer Services (the Commissioner) to establish the Virginia Agriculture Food Assistance Program (VAFA Program) for Virginia farmers and food producers to donate, sell, or otherwise provide agriculture products to charitable food assistance organizations. The bill also creates the Virginia Agriculture Food Assistance Fund to disburse moneys to such charitable food assistance organizations to reimburse farmers or food producers for any costs associated with harvesting, processing, packaging, or transporting agriculture products donated to such charitable food assistance organizations. The bill authorizes the Commissioner to adopt guidelines and regulations to carry out the VAFA Program. Such regulations shall prohibit any charitable food assistance organization that contracts with or receives a grant from the Commissioner from attributing more than five percent of the total grant or contract amount to administrative costs.

6. Budget Amendment Necessary: No, see item 8.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: This bill establishes a new grant program referred to as Virginia Agriculture Food Assistance Program, as well as a new fund titled the Virginia Agriculture Food Assistance Fund. The bill stipulates that the program will assist Virginia farmers and food producers to donate, sell, or otherwise provide agriculture products to charitable food assistance organizations.

HB1800/SB1100 as introduced includes \$600,000 from the general fund in the second year to support this program, and budget language in Item 95 references this legislation. Currently, the pilot VAFA Program is supported by a \$1.0 million appropriation of federal CARES Act funding.

The Fund will be administered by the Department of Agriculture and Consumer Services. It is anticipated that costs to administer the program will be absorbed in current resources.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services.

10. Technical Amendment Necessary: No.

11. Other Comments: HB2203 also establishes the Virginia Agriculture Food Assistance Program and Fund.