

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB828

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Wilt

3. Committee: Agriculture, Chesapeake, and Natural Resources

4. Title: Dairy Producer Margin Coverage Premium Assistance Program; emergency.

5. Summary: Expands eligibility for participation in the Dairy Producer Margin Coverage Premium Assistance Program to include dairy producers who have an approved Natural Resource Conservation Service nutrient management or soil health plan developed by an approved planner. The bill also changes the application deadline from February 1 to May 15 each year and includes an emergency clause.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Indeterminate. See item 8.

8. Fiscal Implications: The Virginia Department of Agriculture and Consumer Services (VDACS) anticipates a small, indeterminate increase in the number of applications the agency will receive and process as a result of this bill. It is anticipated that this increase can be absorbed within existing resources.

When the program began, in September 2021, 373 applications were sent to eligible farms. As of January 2022, 103 of these farms have applied for the program. Extending the deadline would allow the 270 farms that have not yet submitted an application to potentially benefit. While additional farms would also benefit from expanding the eligibility, VDACS indicates that it is not possible to estimate the number of such farms, as the program is in its first year of operation and data are limited. Currently, the average grant award is approximately \$4,000. VDACS anticipates that as the program becomes more established, demand may increase.

It is anticipated that this bill will not have an impact on the Department of Conservation and Recreation.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Agriculture and Consumer Services, Department of Conservation and Recreation

10. Technical Amendment Necessary: No.

11. Other Comments: None