

# VIRGINIA ACTS OF ASSEMBLY -- 2001 SESSION

## CHAPTER 14

*An Act to amend and reenact § 15.2-1302 of the Code of Virginia, relating to distribution of state funds to certain localities.*

[H 2176]

Approved February 14, 2001

**Be it enacted by the General Assembly of Virginia:**

**1. That § 15.2-1302 of the Code of Virginia is amended and reenacted as follows:**

§ 15.2-1302. Certain Commonwealth distributions to localities.

Any state funds that were distributed to a locality, including a local school board, in support of a governmental program or function prior to a consolidation of such program or function or the governmental consolidation of the entities providing such programs or functions, shall continue to be distributed to the entity or entities carrying out the program or function after consolidation in accordance with the following schedule:

1. If the consolidation results in the governmental consolidation of the entities into a single locality, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of twenty fiscal years following the consolidation.

2. If the consolidation results in the consolidation of constitutional officers of the entities and the consolidation of school divisions and local school boards of the entities, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of fifteen fiscal years following the consolidation.

3. In all other consolidations, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of five fiscal years following the consolidation.

This section shall not prohibit the Commonwealth from terminating or modifying any program or function under which distribution to a locality, including a local school board, has been made, and if so terminated or modified all obligations hereunder shall cease or be reduced in proportion with such modifications, as the case may be.

If any such consolidations terminate prior to the end of the applicable period set forth above, the Commonwealth's obligation under this section shall cease.

For the purposes of this section, "consolidation" includes the transition of a city to town status.

*The provisions of this section shall also apply to consolidations of a governmental program or function and governmental consolidations of entities, providing such consolidations take place after January 1, 1995.*