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**HOUSE BILL NO. 3002**

House Amendments in [ ] - February 2, 2007

*A BILL to amend and reenact § 2.2-4327 of the Code of Virginia, relating to investment of funds; affordable housing.*

Patron Prior to Engrossment—Delegate Scott, J.M.

Referred to Committee on General Laws

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

**1. That § 2.2-4327 of the Code of Virginia is amended and reenacted as follows:**

§ 2.2-4327. Preference for community reinvestment activities in contracts for investment of funds.

Notwithstanding any other provision of law, any county [ , town, ] or city [ that is authorized to and has established affordable housing programs ] ~~pursuant to (i) § 15.2-2304 or § 15.2-2305 or (ii) a local ordinance adopted prior to December 31, 1988,~~ may provide by resolution that in determining the award of any contract for time deposits or investment of its funds, the treasurer or director of finance of such county [ , town, ] or city may consider, in addition to the typical criteria, the investment activities of qualifying institutions that enhance the supply of, or accessibility to, affordable housing within the jurisdiction, *including the accessibility of such housing to employees of the county or city or employees of the local school board.* No more than ~~fifty~~ 50 percent of the funds of the county [ , town, ] or city, calculated on the basis of the average daily balance of the general fund during the previous fiscal year, may be deposited or invested by considering such investment activities as a factor in the award of a contract. A qualifying institution shall meet the provisions of the Virginia Security for Public Deposits Act (§ 2.2-4400 et seq.) and all local terms and conditions for security, liquidity and rate of return.

[ *For the purposes of this section, affordable housing means the same as that term is defined in § 15.2-2201.* ]

ENGROSSED

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