

**Department of Planning and Budget
2008 Fiscal Impact Statement**

1. Bill Number: HB11

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

2. Patron: Albo

3. Committee: Privileges and Elections, Constitutional Subcommittee

4. Title: **Constitutional amendment; exempts certain homeowners from taxation (voter referendum).**

5. Summary: Constitutional amendment (voter referendum); property exempt from taxation. Provides for a referendum at the November 2009 election on approval of a proposed constitutional amendment relating to property tax exemptions. The proposed amendment authorizes the General Assembly to enact legislation that will allow localities by ordinance to exempt or partially exempt from real property taxes, or defer real property taxes on, up to 20 percent of the value of residential or farm property that is the owner-occupant's primary dwelling and lived in continuously. If approved by the voters, the amendment will take effect January 1, 2010.

6. Fiscal Impact Estimates:

6a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2009 | \$200,000 | | General |

7. Budget Amendment Necessary: Yes, an amendment in Item 89 to fund advertising of referendum, required by law, is necessary.

8. Fiscal Implications: Placing the referendum on the ballot has a fiscal impact of \$200,000 on the State Board of Elections, which is a calculated estimate to pay for the newspaper ads, posters and brochures required by Code of Virginia, § 30-19.9. Print advertisements in major newspapers impact the expense most. The fiscal impact is based on costs for prior constitutional amendments.

While the expense for the State Board of Elections is approximately \$200,000 for the first constitutional amendment or statewide referendum on the ballot, the cost is \$66,000 for each additional item at same election

9. Specific Agency or Political Subdivisions Affected: State Board of Elections

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/14/2008 egw

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cc: Secretary of Administration