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HOUSE BILL NO. 33

Offered January 13, 2010

Prefiled December 18, 2009

A *BILL to amend and reenact § 15.2-2606 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 15.2-2610.1 and in Chapter 1 of Title 30 a section numbered 30-19.10:1, relating to propositions authorizing or creating certain state or local debt to contain an estimate of debt service.*

Patrons—Marshall, R.G. and Cole

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-2606 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 15.2-2610.1 and in Chapter 1 of Title 30 a section numbered 30-19.10:1 as follows:

§ 15.2-2606. Public hearing before issuance of bonds.

A. Notwithstanding any contrary provision of law, general or special, but subject to subsection B of this section, before the final authorization of the issuance of any bonds by a locality, the governing body of the locality shall hold a public hearing on the proposed bond issue. Notice of the hearing shall be published once a week for two successive weeks in a newspaper published or having general circulation in the locality. The notice shall state the general purpose or purposes ~~and the~~ , estimated maximum amount , *number of years required to amortize, and estimated total debt service payable on the principal amount* of the bonds proposed to be issued and shall specify the time and place of the hearing at which persons may appear and present their views. The hearing shall not be held less than six nor more than twenty-one days after the date the second notice appears in the newspaper.

B. No notice or public hearing shall be required for (i) bonds which have been approved by a majority of the voters of the issuing locality voting on the issuance of such bonds or (ii) obligations issued pursuant to §§ 15.2-2629, 15.2-2630 or § 15.2-2643.

§ 15.2-2610.1. *Estimate of debt service to be included in ballot question.*

In any referendum held on the question of the issuance of bonds pursuant to § 15.2-2610, an estimate of the anticipated number of years over which the debt shall be amortized and the total estimated debt service payable on the principal amount of the bonds until their retirement shall be included in the ballot question.

§ 30-19.10:1. *Debt service estimate to be included when submitting authorizing of debt to voters for approval.*

Whenever the creation of any debt authorized by the General Assembly must be submitted to the voters for approval pursuant to Article X, Section 9 of the Constitution of Virginia, the ballot question so submitted to the voters shall include an estimate of the anticipated number of years over which such debt shall be amortized and the total estimated debt service payable on the principal amount of the bonds until their retirement. The State Treasurer shall provide the estimates to the State Board of Elections and the Secretary of the Commonwealth not later than 30 days after the enactment of the law authorizing the creation of the debt.

INTRODUCED

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