

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact §§ 30-19.03, 30-19.1:7, and 36-132.1 of the Code of Virginia and to repeal §§ 30-19.03:1, 30-19.03:1.1, 30-19.1, 30-19.1:1, 30-19.1:3, and 30-19.1:6 of the Code of Virginia, relating to legislative bills required to be filed no later than the first day of a legislative session.*

[H 428]

Approved

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

**1. That §§ 30-19.03, 30-19.1:7, and 36-132.1 of the Code of Virginia are amended and reenacted as follows:**

§ 30-19.03. Estimates to be prepared for legislation affecting local government expenditures and revenues.

Whenever any bill requiring a net additional expenditure by any county, city, or town, as defined in § 30-19.03:1, or whenever any bill requiring a net reduction of revenues by any county, city, or town, as defined in § 30-19.03:1.1, is filed during any session of the General Assembly, the Commission on Local Government shall investigate and prepare an estimate setting forth, to the extent practicable, the additional expenditures or reduction of revenues, if any, to be required of the affected localities in event of enactment of such legislation. The Division of Legislative Services shall examine all bills filed during any legislative session for the purpose of identifying and forwarding to the Commission on Local Government those bills requiring the preparation of fiscal estimates pursuant to this section.

A bill shall be deemed to require an expenditure if it has the effect of requiring any county, city, or town to (i) perform or administer a new or expanded program or service, (ii) maintain an existing program or service at a specified level of spending or delivery, (iii) assume or incur administrative costs in support of a state or state-related program, or (iv) furnish capital facilities for state or state-related activities.

For purposes of this section, "net additional expenditure" means the cost anticipated to be incurred annually, less any revenues receivable on account of the program or service from fees charged recipients of the program or service, state or federal aid paid specifically and categorically in connection with the program or service, new or increased local sources of revenue authorized and designated specifically to offset the cost of the program or service, and any offsetting savings resulting from the reduction or elimination of any program or service directly attributable to the performance of the required program or service.

A bill shall be deemed to require a net reduction of revenues if it has the effect of requiring any county, city, or town to (i) relinquish an existing or potential source of local revenue by classification or exclusion or (ii) diminish an existing or potential source of revenue by classification or exclusion.

For the purposes of this section, "net reduction of revenues" means the reduction anticipated in local revenues, including, but not limited to, general levies, special levies, revenues received pursuant to §§ 58.1-605 and 58.1-606 and administrative and user fees, to be incurred annually, less any new local revenues receivable and any offsetting savings resulting from the reduction of local revenues, caused by the classification or exclusion being proposed.

The provisions of this section shall not apply to a reduction in local revenues that is required or arises from a court order or judgment, nor to a revenue reduction that is adopted at the option of any county, city, or town under a law that is permissive rather than mandatory, nor to a revenue reduction that is the result of a measure providing tax relief on a statewide basis.

The Division of Legislative Services shall examine all bills filed during any legislative session for the purpose of identifying and forwarding to the Commission on Local Government those bills requiring the preparation of fiscal estimates pursuant to this section.

As soon thereafter as may be practicable, the Commission on Local Government shall forward copies of such estimates to the Clerk of the House of Delegates for transmittal to each patron of the legislation and to the chairman of each committee of the General Assembly to consider the same.

All departments, agencies of government, the Division of Legislative Services, and all local governmental units of the Commonwealth are directed to make available such information and assistance as the Commission on Local Government may request in preparing the estimates required by this section.

§ 30-19.1:7. Bills related to the Virginia Retirement System; impact statements.

Any bill proposing to amend, add, repeal, or modify any provision of any retirement system

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57 established in Title 51.1 shall be introduced for consideration by the General Assembly no later than the  
58 first calendar day of any regular session of the General Assembly unless (i) requested in writing by the  
59 Governor or (ii) filed in accordance with the rules of the General Assembly.

60 In accordance with a joint resolution ~~which~~ *that* establishes a schedule for the conduct of business  
61 coming before a regular session of the General Assembly, the Board of Trustees of the Virginia  
62 Retirement System shall investigate, prepare, and submit to the Clerk of the House of Delegates, the  
63 Clerk of the Senate, the Commission on Local Government, the House Committee on Appropriations,  
64 and the Senate Committee on Finance, a statement of (i) the financial impact of the proposed bill upon  
65 the general fund and the various local governments that have elected to become part of the Virginia  
66 Retirement System pursuant to § 51.1-800 and (ii) the policy implications that such bill will have on the  
67 various systems administered by the Board of Trustees. Such statement shall also note the potential  
68 impact any introduced bill will have on local government independent retirement systems.

69 § 36-132.1. Commission on Local Government.

70 The Department shall include the Commission on Local Government, which shall exercise the powers  
71 and duties described in §§ 15.2-1301, ~~and~~ 15.2-2303.2, and Chapters 29 (§ 15.2-2900 et seq.), 32  
72 (§ 15.2-3200 et seq.), 33 (§ 15.2-3300 et seq.), 34 (§ 15.2-3400 et seq.), 35 (§ 15.2-3500 et seq.), 36  
73 (§ 15.2-3600 et seq.), 38 (§ 15.2-3800 et seq.), 39 (§ 15.2-3900 et seq.), 40 (§ 15.2-4000 et seq.), and 41  
74 (§ 15.2-4100 et seq.) of Title 15.2 and §§ 30-19.03 ~~through 30-19.03:1.1~~.

75 2. That §§ 30-19.03:1, 30-19.03:1.1, 30-19.1, 30-19.1:1, 30-19.1:3, and 30-19.1:6 of the Code of  
76 Virginia are repealed.