

**Department of Planning and Budget  
2011 Fiscal Impact Statement**

**1. Bill Number:** HB1771-ER

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

**2. Patron:** Shuler

**3. Committee:** Passed Both Houses

**4. Title:** Allocation of deputies to cities.

**5. Summary:** Authorizes the State Compensation Board to allocate law-enforcement deputies to a city sheriff in cities without a police force if the city was created by the consolidation of a city and a county subsequent to July 1, 2011.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See Item 8.

**8. Fiscal Implications:** The legislation will not have any potential fiscal implications until fiscal year 2013 due to the process that is required to merge two localities.

However, if the local voters approve this merger, a future funding decision will be required. At issue is the cost of additional law enforcement positions. Due to the hold harmless provision of § 15.2-1302, paragraph 1. (“...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”) the “599” funding must be continued being allocated to the locality. Also, according to the Compensation Board, the sheriff for the City of Alleghany Highlands will be eligible for four additional law enforcement positions at an annual cost of \$135,857 due to this proposed merger. It is not clear, though, given the hold harmless provision noted previously, whether additional funding from the Compensation Board is necessary despite the newly merged locality qualifying for more deputies.

**9. Specific Agency or Political Subdivisions Affected:** City of Alleghany Highlands (once established), Compensation Board and Department of Criminal Justice Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** Identical to SB 901.

**Date:** 2/18/2011

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