

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB2319

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|------------------------|---------------------------------------|-------------------------------------|--|
| House of Origin | <input type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input checked="" type="checkbox"/> Enrolled |

2. Patron: Byron, K.

3. Committee: Passed Both Houses

4. Title: State agency mandates on localities.

5. Summary: State agency mandates on localities. Provides that the assessment of mandates imposed on local governments currently required include a detailed cost-benefit analysis and utilization of performance-based metrics to determine the value of the mandate in relation to the required or intended output or desired result.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Final

8. Fiscal Implications: This bill changes the assessment process for mandates imposed on local governments to require an estimate of the fiscal impact on localities and an explanation of why the mandate should not be eliminated. The changes to the process will require more staff time from the agencies reviewing the mandates. But the new processes may result in mandates being eliminated which would create savings at the local level and possibly at the state level as well.

9. Specific Agency or Political Subdivisions Affected: State agencies with local mandates, local governments.

10. Technical Amendment Necessary: No

11. Other Comments: On January 16, 2010, Governor McDonnell issued Executive Order No. 2 (2010), establishing the Governor's Commission on Government Reform and Restructuring to conduct a review of Virginia state government. The Commission was tasked with identifying opportunities for creating efficiencies in state government, including streamlining, consolidating, or eliminating redundant and unnecessary agency services, governing bodies, regulations and programs. As a result of their work, the Commission issued a report to the Governor on December 1, 2010 that contained 133 recommendations for improving state government. This bill is resulting legislation from the Commission's work on reducing mandates on local governments.

