

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** SB983ER

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:** Whipple, M.

**3. Committee: Passed Both Houses**

**4. Title:** Extends expiration date for Common Interest Community (CIC) Manager provisional licenses and makes technical corrections to board statutes.

**5. Summary:** This legislation extends the expiration deadline for provisional common interest community manager licenses from June 30, 2011, to June 30, 2012. The bill also (i) amends bonding requirements for associations whose residents are exempt from licensure by the Common Interest Community (CIC) Board to conform to the Condominium and Property Owners Association Acts, (ii) provides for the payment of court-appointed receivers from the Common Interest Community Management Recovery Fund, and (iii) clarifies the CIC Board's authority to promulgate regulations. In addition the bill clarifies Virginia Real Estate Time-Share Act and Condominium Act provisions governing the irrevocable appointment for service of process to apply only to nonresidents and corrects an erroneous reference contained in the Condominium Act.

**6. Budget Amendment Necessary:** No; any budget amendments will be handled administratively.

**7. Fiscal Impact Estimates:** The fiscal impact estimates are final; see Item 8.

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2011	(\$18,000)	NGF (0259)
2012		
2013		
2014		
2015		
2016		
2017		

**8. Fiscal Implications:** Upon expiration of provisional licenses, regulants must obtain a permanent license at an annual fee of \$100. The proposed legislation will extend the expiration date for provisional licenses from June 30, 2011 to June 30, 2012, therefore revenue from permanent license fees will not be received in FY2011. There are currently approximately 200 provisional licensees. Revenue for FY2011 was estimated using the

permanent license fee of \$100, and assuming that 90 percent or 180 provisional licensees would obtain permanent licenses, for a total reduction in revenue in FY2011 of \$18,000. This is a one-time reduction in revenue for FY2011 only. This one-time reduction in revenue for FY2011 poses no fiscal impact to the Department of Professional Occupation and Regulation because the agency will not have to implement the licensing requirements due to the extension.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional Occupation and Regulation

**10. Technical Amendment Necessary:** Yes

**11. Other Comments:** This legislation is a one time request due to shortage of providers offering comprehensive training and an increased timeframe necessary for regulatory review changes.

Date: 1/21/2011

Document: I:\Finance\Budget\FY11\Legislation\Session\SB983S1 11 FIS CIC Provisional Licenses