

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: HB1198

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Surovell

3. Committee: Education

4. Title: School buildings; National Register of Historic Places and Virginia Landmarks Register.

5. Summary: Requires each local school board to maintain an inventory of all school buildings over 50 years old and determine, in consultation with the Department of Historic Resources, whether each building on the inventory is eligible to be listed on the National Register of Historic Places, the Virginia Landmarks Register, or both. The bill provides that prior to demolishing, transferring, or selling a school building that has been determined to be eligible for the National Register of Historic Places, the Virginia Landmarks Register, or both, the local school board shall solicit public comment and consider alternatives such as renovation, rehabilitation, and adaptive reuse.

6. Budget Amendment Necessary: Yes. Item 369 of HB30/SB30

7. Fiscal Impact Estimates: Preliminary. See item 8, below.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2014			
2015	\$137,000	1	General Fund
2016	\$102,000	1	General Fund
2017	\$102,000	1	General Fund
2018	\$102,000	1	General Fund
2019	\$102,000	1	General Fund
2020	\$102,000	1	General Fund

8. Fiscal Implications: This bill will require local school boards to work with the Department of Historic Resources (DHR) to determine the eligibility of school buildings that are over 50 years old for the National Register of Historic Places and/or the Virginia Landmarks Register. According to the Department of Education, there are over 480 school buildings in Virginia that are over 50 years old. DHR anticipates that there would be approximately 10 schools each year which would turn 50 years old and require a determination of eligibility.

Since the bill requires school boards to consult with DHR for all schools included in the inventory, DHR will have to establish a process and protocol to manage the work required to

consult with local school boards on approximately 500 schools. In order to manage the program, DHR will require a total of \$137,000 from the general fund in FY 2015 and a total of \$102,000 from the general fund in future years. Of the amount required in the first year, \$35,000 will be used to contract with an outside consultant to create multiple property documentation. This multiple property documentation would standardize the criteria and context to guide local school boards in collecting the information needed to complete a determination of eligibility. Of the amount for the remaining years, \$100,000 will be needed for salary, benefits, and support related to hiring an additional position to manage the process by which local school boards will consult with DHR on determinations of eligibility. Given the 480 schools that are currently more than 50 years old, the agency anticipates that it will take at least five years to get through the current list of schools. The remaining \$2,000 per year will be needed to cover meals, per diem, and travel reimbursements associated with additional board meetings DHR anticipates will be needed to handle the additional workload.

Local school boards will be required to maintain their own inventory and conduct their own research on the school buildings to provide to DHR to assist in determining eligibility for the National Register of Historic Places and/or the Virginia Landmarks Register. DHR anticipates an average costs of \$3,000 per school to conduct the appropriate research to gather the data needed to determine eligibility. Since school boards would be required to conduct the research, this cost would not have a fiscal impact on DHR or the state budget.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Historic Resources, local school boards.
- 10. Technical Amendment Necessary:** No.
- 11. Other Comments:** As written, the bill does not require school boards or DHR to apply for placement on the National Register of Historic Places or the Virginia Landmarks Register for any school buildings deemed eligible.