

# Department of Planning and Budget

## 2015 Fiscal Impact Statement

**1. Bill Number:** SB1267

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

**2. Patron:** Edwards

**3. Committee:** Rules

**4. Title:** State and Local Government Conflict of Interests Act/General Assembly Conflicts of Interests Act; prohibited conduct related to gifts and travel.

**5. Summary:** The bill prohibits state and local government officers and employees and members of the General Assembly from accepting any gift or any combination of gifts with a value exceeding the current limit of \$250 from a third party prior to submitting to the Virginia Conflict of Interest and Ethics Advisory Council (the Council) a request for a waiver to accept such gift and receiving such a waiver. The bill requires the Council to receive and review requests for waivers and, within seven days of receiving a request, approve or deny the request for waiver. In reviewing the request for a waiver, the Council shall consider the nature of the gift, the relationship between the requester and the third party providing the gift, and whether the gift relates to the official duties of the requester. When reviewing a request for a waiver for a travel-related gift, the Council is also required to consider the purpose of the travel as it relates to the official duties of the requester. Waivers are not required for travel paid for or provided by the government of the United States, any of its territories, or another state in the United States or the political subdivision of such other state. The bill also removes the distinction between tangible and intangible gifts and prohibits any single gift, or any combination of gifts in a calendar year, with a value exceeding \$250 given from any third party to those persons subject to the Conflicts of Interests Acts. For purposes of the prohibition and the waiver exception, "third party" is defined as any person who the officer, employee, or legislator knows or has reason to know is a lobbyist registered pursuant to Article 3 (§ 2.2-418 et seq.) of Chapter 4 of Title 2.2; a lobbyist's principal as defined in § 2.2-419; a person, organization, or business who is a party to or is seeking to become a party to a contract with the Commonwealth or one of its political subdivisions; or a person whose interests may be substantially affected by the performance of the official duties of the officer, employee, or legislator.

**6. Budget Amendment Necessary:** Yes.

**7. Fiscal Impact Estimates:**

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2015	0	0	n/a
2016	\$96,000	1	General Fund
2017	\$96,000	1	General Fund
2018	\$96,000	1	General Fund
2018	\$96,000	1	General Fund
2020	\$96,000	1	General Fund
2021	\$96,000	1	General Fund

- 8. Fiscal Implications:** It should be noted that the Council is currently unfunded. This statement of fiscal impact makes no attempt to address the duties of the Council previously established in Code. Instead, this statement will only address changes in impact for responsibilities beyond current Code as presented by this bill. The bill presents fiscal impacts related to staffing of the Council. Per § 30-357 of the Code, the Division of Legislative Services (DLS) is assigned staffing responsibilities to perform duties as assigned by the Council, including the duties enumerated in the Council's authorizing language. This bill expands these duties, particularly duties involving waiver processing. DLS believes the bill presents the need for \$96,000 per year to cover a staffing position and associated costs.
- 9. Specific Agency or Political Subdivisions Affected:** The Virginia Conflict of Interest and Ethics Advisory Council; the Division of Legislative Services.
- 10. Technical Amendment Necessary:** No.
- 11. Other Comments:** None.