

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB 329

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

2. Patron: Carrico

3. Committee: Committee on Local Government

4. Title: SB 329 BVU Authority; Board powers, officers; broadband; FOIA.

5. Summary: BVU Authority; Board powers, officers; broadband; FOIA. Reduces from nine to seven the number of directors on the Board of Directors (the Board) of the BVU Authority (the Authority) and alters the methods of their appointment and their powers and duties. The bill removes the current membership of the Board, comprising six citizens of Bristol, Virginia, two Bristol City Council members, and one member of the Board of Supervisors of Washington County, and institutes in their place a board of seven directors, comprising (i) one citizen of each of the following localities with its appointing authority: the City of Bristol, appointed by the Governor; the Town of Abingdon or the City of Bristol, appointed by the Board; Scott County, appointed by the Speaker of the House of Delegates; and Washington County, appointed by the Senate Committee on Rules, and (ii) one member of the governing body of each of the localities of the City of Bristol, the Town of Abingdon, and Washington County, appointed by their respective governing bodies.

The bill changes the operation of the Board by altering certain requirements regarding bylaws, eliminating the Board's authority to appoint an attorney, requiring an annual vote to retain independent legal counsel, and barring Board members from receiving financial compensation for service. The bill alters the authority of the Board president by eliminating his power to enter into long-term employment contracts with Authority employees. It also limits a president's term of service to a renewable term of three years and bars any severance agreement for the president amounting to more than one year's base salary.

The bill clarifies that the Authority is prohibited from making charitable donations, contracting with or becoming a wireless service authority, or contracting with a locality to have it acquire property for the Authority by eminent domain. The bill eliminates several Authority-related records and open meeting exemptions from the Freedom of Information Act.

The bill changes the Authority's broadband-related powers, allowing it to offer and operate broadband and cable television service only in specified areas. The Authority's first broadband priority is to be the construction of wired broadband infrastructure in unserved areas, and its power to apply for grants for broadband projects is defined in conjunction with that priority. Any broadband networks the Authority builds are to be operated on an open-access basis.

The bill directs the Auditor of Public Accounts to examine the accounts of the Authority by July 1, 2016, and contains an emergency clause.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Not Applicable

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2016			
2017			
2018			
2019			
2020			
2021			
2022			

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2016		
2017		
2018		
2019		
2020		
2021		
2022		

8. Fiscal Implications: Per § 30-19.03 of the Code of Virginia, the Commission on Local Government has determined that this bill does not warrant preparation of a Fiscal Impact Statement because the bill does not require a net additional expenditure by an county, city, or town, nor does it require a net reduction of revenues by any county, city, or town.

9. Specific Agency or Political Subdivisions Affected: No

10. Technical Amendment Necessary: No

11. Other Comments: N/A