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SENATE BILL NO. 821

Offered January 15, 2018

A *BILL to amend and reenact §§ 3, 20, 28, and 29 of Chapter 638 of the Acts of Assembly of 2010, relating to New River Valley Emergency Communications Regional Authority; annual budget contribution.*

Patron—Edwards

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

1. That §§ 3, 20, 28, and 29 of Chapter 638 of the Acts of Assembly of 2010 are amended and reenacted as follows:

§ 3. Definitions.

As used in this act, the following words and terms have the following meanings unless a different meaning clearly appears from the context:

"Act" means the New River Valley Emergency Communications Regional Authority Act.

"Allocation formula" means a formula, developed and adopted by the Board, for allocating each participating political subdivision's annual contribution to the annual budget.

"Annual deficit budget" means the amount of budgeted expenditures in excess of anticipated revenues from necessary each fiscal year for the payment of operations or capital budgets.

"Annual contribution" means the portion of the annual budget attributable to each participating political subdivision each fiscal year. "Annual contribution" includes either (i) each participating political subdivision's share of the annual budget allocated under the allocation formula or (ii) a one-quarter share of the annual budget that each of the participating political subdivisions shall pay if the participating political subdivisions have not unanimously approved an allocation formula on or before July 1, 2019, or, in any year in which the allocation formula is presented for approval by the participating political subdivisions, July 1.

"Authority" means the New River Valley Emergency Communications Regional Authority created by this Act.

"Board" means the governing body of the Authority.

"Bonds" means any bonds, notes, debentures, grant obligations, or other evidence of financial indebtedness issued by this Authority pursuant to this Act.

"Commonwealth" means the Commonwealth of Virginia.

"Facility" means any and all buildings, structures, or facilities purchased, constructed, or otherwise acquired or operated by the Authority pursuant to the provisions of this Act. Any facility may consist of or include any or all buildings or other structures, improvements, additions, extensions, replacements, machinery, or equipment, together with appurtenances, lands, rights in land, water rights, franchises, furnishings, landscaping, utilities, roadways, or other facilities necessary or desirable in connection therewith or incidental thereto.

"Participating political subdivisions" means the Towns of Blacksburg and Christiansburg, the County of Montgomery, and Virginia Polytechnic Institute and State University or any other political subdivision that may join or has joined the Authority pursuant to §§ 4 and 5 of this Act.

"Political subdivision" means a county, city, town, public body, public authority, institution (including an institution of higher education), or commission of the Commonwealth.

"University" means Virginia Polytechnic Institute and State University.

§ 20. Annual deficit.

The Board shall have full authority to adopt its ~~operating and capital budgets~~ annual budget on an annual fiscal year (July 1 through June 30) basis, and to amend the same from time to time; and for the annual deficit to be divided among all participating political subdivisions. The Board shall have full authority to develop and adopt an allocation formula. The Board shall present the allocation formula to the participating political subdivisions on or before February 1, 2019. The participating political subdivisions shall consider the allocation formula on or before May 1, 2019. If the participating political subdivisions unanimously approve the allocation formula, each shall pay its annual contribution as allocated by the allocation formula. In the event that the participating political subdivisions do not unanimously approve the allocation formula on or before July 1, 2019, each participating political subdivision shall contribute one-quarter of the Authority's annual budget for fiscal year 2019 and for all following fiscal years unless and until an allocation formula is unanimously approved by the participating political subdivisions.

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59 *Once unanimously approved by the participating political subdivisions, the Board may use the*
60 *allocation formula each year to allocate responsibility for payment of the annual budget among the*
61 *participating political subdivisions. The Board shall have full authority to amend and revise the*
62 *allocation formula, but any amendment or revision shall be submitted to and unanimously approved by*
63 *the participating political subdivisions on the same dates prior to the fiscal year in which the allocation*
64 *formula is scheduled to be amended or revised.* Each participating political subdivision shall contribute
65 its ~~respective one-quarter share of the annual deficit~~ *annual contribution* each year and otherwise as
66 required; however, such obligation shall be subject to and dependent upon annual appropriations being
67 made from time to time by the governing body of each such respective participating political
68 subdivision, and as to the university by normal approval of appropriations, and shall not be deemed to
69 constitute a debt of such participating political subdivisions within the meaning of Article VII, Section
70 10 of the Constitution of Virginia, and as to the university, within the meaning of Article X, Section 9
71 of the Constitution of Virginia, or any applicable statutory debt limitation. Should any participating
72 political subdivision fail to contribute in full its ~~proportionate share of the annual deficit~~ *annual*
73 *contribution* it shall remain a member of the Authority, but its representative on the Board shall not be
74 entitled to cast a vote on any Authority matter until that participating political subdivision's ~~share of the~~
75 ~~annual deficit~~ *annual contribution* has been paid in full. Further, should any participating political
76 subdivision fail to contribute in full its ~~proportionate share of the annual deficit~~ *annual contribution*, the
77 Authority shall have a lien on any share of the Authority's profit or surplus revenues otherwise entitled
78 to be distributed to the participating political subdivision. A participating political subdivision may
79 contribute a portion or all of its ~~share of the annual deficit~~ *annual contribution* through "in-kind"
80 contributions, subject to the approval of such contribution and valuation by the Authority.

81 § 28. Withdrawal of membership.

82 A participating political subdivision may withdraw its membership in the Authority at the end of any
83 fiscal year if the withdrawing participating political subdivision has given notice to the Authority and all
84 other participating political subdivisions of its intention to withdraw at least one year before the end of
85 such fiscal year and the withdrawing participating political subdivision has paid in full its ~~share of the~~
86 ~~annual deficit~~ *annual contribution*, if any, provided that no participating political subdivision may
87 withdraw its membership in the Authority if the Authority has any outstanding debt without written
88 approval of each participating political subdivision. As used in this section, the term "debt" shall mean a
89 monetary obligation, whether general or limited in any way, to repay a loan or bond, or any long-term
90 obligation, whether absolute or contingent in any way, to refund or reimburse any agency or entity for
91 grant funds received by the Authority.

92 § 29. Dissolution of Authority.

93 Whenever it shall appear to the Board or to all participating political subdivisions that the need for
94 the Authority no longer exists, all participating political subdivisions may petition the Circuit Court of
95 Montgomery County, Virginia, for the dissolution of the Authority. If the court determines that the need
96 for the Authority as set forth in this Act no longer exists and that all debts and other obligations of any
97 kind have been fully paid or provided for:

98 1. The Court shall enter an order dissolving the Authority; and

99 2. The remaining assets of the Authority shall be distributed to the participating political subdivisions
100 in proportion to their respective ~~shares of the annual deficit~~ *annual contribution* less any amounts owed
101 to the Authority by such participating political subdivision.

102 Each participating political subdivision and all holders of the Authority's bonds shall be made parties
103 to any such proceeding and shall be given notice as provided by law. Any party defendant may reply to
104 such petition at any time within six months after the filing of the petition. An appeal from the final
105 judgment of the court shall lie to the Supreme Court of Virginia.