

LD4521356

HOUSE BILL NO. 2436

Offered January 23, 1995

A *BILL to amend and reenact § 15.1-227.39 of the Code of Virginia, relating to bond issues by counties.*

Patron—Miller

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:**1. That § 15.1-227.39 of the Code of Virginia is amended and reenacted as follows:**

§ 15.1-227.39. Powers of counties generally; approval of voters required.

A. Except as provided in subsection ~~B~~ C of this section, no county has the power to contract any debt or to issue its bonds unless a majority of the qualified voters of the county voting on the question at an election held in accordance with §§ 15.1-227.12 and 15.1-227.13 approve contracting the debt, borrowing the money and issuing the bonds.

B. *Unless a majority of the qualified voters of the county voting on the question at an election held in accordance with §§ 15.1-227.12 and 15.1-227.13 approve the contract or financing arrangement, no county has the power to execute any contract or enter into any financing agreement, which by its terms is to be repaid by future appropriations of the governing body of the county, unless the requirement to appropriate funds in the future is a legally enforceable obligation of such county; however, nothing in this subsection is intended to modify the Special Fund Doctrine, as defined by the Supreme Court of Virginia in Baliles v. Mazur, 297 S.E.2d 695, 224 Va. 462 (1982).*

BC. Voter approval is not required for a county (i) to contract debt or to issue bonds described in Article VII, Section 10 (a) (1) and (3) of the Constitution of Virginia, (ii) to issue refunding bonds, or (iii) to issue bonds, with the consent of the school board and the governing body of the county, for capital projects for school purposes which are sold to the Literary Fund, the Virginia Retirement System, or other state agency prescribed by law.

INTRODUCED

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