

1995 SESSION

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HOUSE JOINT RESOLUTION NO. 664

Offered January 23, 1995

Establishing a joint subcommittee to study investment of funds by local governments of the Commonwealth.

Patrons—Purkey, Dillard, Guest, Hamilton, Howell and Watkins

Referred to Committee on Rules

WHEREAS, local governments of the Commonwealth assess, collect, remit, and retain certain tax revenues and other public funds for and on behalf of the Commonwealth and their respective localities; and

WHEREAS, local governments of the Commonwealth hold such tax revenues and other public funds for varying periods of time; and

WHEREAS, local governments of the Commonwealth invest and re-invest such tax revenues and other public funds in various ways and through various mechanisms; and

WHEREAS, recent financial losses by local governments throughout the nation have highlighted the need for sound investment of such tax revenues and other public funds in ways and through mechanisms that offer a competitive return for a competitive risk; and

WHEREAS, investment performance of such tax revenues and other public funds is of great importance to the Commonwealth, local governments, and all taxpayers because of the role that investment income plays in the overall financing of government projects, functions, and services; and

WHEREAS, it is critical that local governments develop and implement a fundamentally sound framework to govern investment decision-making of such tax revenues and other public funds; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study investment of funds by local governments of the Commonwealth. The study shall examine issues including but not limited to the source of such tax revenues and other public funds assessed, collected, remitted, and retained by local governments; the length of time such tax revenues and other public funds are held by local governments; the various ways and mechanisms that local governments invest and re-invest such tax revenues and other public funds; and the rate of return and other performance benchmarks of such investments by local governments.

The joint subcommittee shall consist of five members as follows: three from the House of Delegates, appointed by the Speaker; and two from the Senate, appointed by the Senate Committee on Privileges and Elections. The Division of Legislative Services shall provide staff support to the joint subcommittee. The Secretary of Finance, the Treasurer, the Comptroller, the State Internal Auditor, the Auditor of Public Accounts, and all other agencies and political subdivisions of the Commonwealth shall cooperate as requested by the joint subcommittee.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1996 Session of the General Assembly in accordance with the procedures of the Division of Legislative Automated Systems for processing legislative documents.

The direct costs of this study shall not exceed \$2,250.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

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