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SENATE BILL NO. 565

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Counties, Cities and Towns
on February 23, 1996)

(Patron Prior to Substitute—Senator Earley)

A BILL to amend the Code of Virginia by adding a section numbered 15.1-21.2, relating to economic growth sharing agreements.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 15.1-21.2 as follows:

§ 15.1-21.2. Voluntary economic growth sharing agreements.

A. Any county, city or town, or combination thereof, may enter voluntarily into an agreement with any other county, city or town, or combination thereof, whereby the locality may agree for any purpose otherwise permitted, including the provision on a multi-jurisdictional basis of one or more public services or facilities, to enter into binding fiscal arrangements for long-term, fixed time periods to share in the benefits of the economic growth of their localities. However, if any such agreement contains any provision addressing any issue provided for in Chapter 20.2, 21, 21.1, 21.2, 22 or 25 of this title, the agreement shall be subject to the review and implementation process established by Chapter 26.1:1 (§ 15.1-1167.1 et seq.) of this title.

B. The terms and conditions of the revenue, tax base or economic growth sharing agreement as provided in subsection A shall be determined by the affected localities and shall be approved by the governing body of each locality participating in the agreement, provided the governing body of each such locality first holds a public hearing which shall be advertised once a week for two successive weeks in a newspaper of general circulation in the locality. However, the public hearing shall not take place until the Commission on Local Government has issued its findings in accordance with subsection D.

C. Any revenue, tax base or economic growth sharing agreement entered into under the provisions of this section shall not be presumed to be a debt pursuant to Article VII, Section 10(b) of the Constitution of Virginia.

D. Revenue, tax base and economic growth sharing agreements drafted under the provisions of this chapter shall be submitted to the Commission on Local Government for review as provided in subdivision 4 of § 15.1-945.3.