

961382324

## HOUSE BILL NO. 685

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Counties, Cities and Towns  
on December 19, 1996)

(Patron Prior to Substitute—Delegate Marshall)

A BILL to amend and reenact § 15.1-227.8 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 1 of Title 30 a section numbered 30-19.10, relating to certain state or local debt.

Be it enacted by the General Assembly of Virginia:

1. That § 15.1-227.8 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 1 of Title 30 a section numbered 30-19.10 as follows:

§ 15.1-227.8. Public hearing before issuance of bonds.

A. Notwithstanding any contrary provision of law, general or special, but subject to subsection B of this section, before the final authorization of the issuance of any bonds by a unit, the governing body of the unit shall hold a public hearing on the proposed bond issue. Notice of the hearing shall be published once a week for two successive weeks in a newspaper published or having general circulation in the unit. The notice shall (i) state the general purpose or purposes and the estimated of the proposed bond issue; (ii) give nonbinding estimates of (a) the maximum amount of the bonds proposed to be issued, (b) the number of years required to amortize the debt and (c) the total debt service payable on the principal amount of the bonds at the then prevailing market interest rates; and shall (iii) specify the time and place of the hearing at which persons may appear and present their views. The hearing shall not be held less than six nor more than twenty-one days after the date the second notice appears in the newspaper.

B. No notice or public hearing shall be required for (i) bonds which have been approved by a majority of the qualified voters of the issuing unit voting on the issuance of such bonds or (ii) obligations issued pursuant to §§ 15.1-227.30, 15.1-227.31 or § 15.1-227.44.

§ 30-19.10. Distribution of information to voters on proposed debt authorization.

Whenever the creation of any debt authorized by the General Assembly must be submitted to the voters for approval pursuant to Section 9 (b) of Article X of the Constitution of Virginia, the State Board of Elections shall cause to be printed and distributed to the general registrar of each county and city, not less than ninety days prior to the election, copies of an explanation of such proposal to be placed at each registration site in sufficient numbers to provide a copy to any interested person and to the election officials posted at the polling places on the day of the election. The State Board of Elections also shall cause such explanation to be published by paid advertisement in each newspaper with an average general circulation of more than 50,000 in Virginia, and published in Virginia or in a contiguous state or district, once during the week preceding the final day for registration and once during the week preceding the election at which the proposed debt authorization is to be presented to the people. The explanation shall include nonbinding estimates of the (i) anticipated number of years over which such debt shall be amortized and (ii) total estimated debt service payable on the principal amount of the bonds at the then prevailing market interest rates until their retirement. The State Treasurer shall provide the estimates to the State Board of Elections and the Secretary of the Commonwealth not later than thirty days after the enactment of the law authorizing the creation of the debt.

The explanation shall contain the ballot question and a statement of not more than 500 words on the proposed debt authorization. The explanation shall be presented in plain English, shall be limited to a neutral explanation, and shall not present arguments by either proponents or opponents of the proposal.

Any failure to comply with the provisions of this section shall not affect the validity of the proposed debt authorization.