

Department of Planning and Budget

2016 Fiscal Impact Statement

1. Bill Number: HB534

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Kory

3. Committee: General Laws

4. Title: Department of General Services; notice required before disposition of surplus real property.

5. Summary: Requires the Department of General Services to provide written notice of the proposed sale or lease of real property declared surplus to each member of the General Assembly through the Office of the Clerk for the respective house, the chief executive officer of the locality in which the property is located, and any homeowner whose property is adjacent to the property declared surplus.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Fiscal impact is indeterminate. See Item 8, below.

8. Fiscal Implications: The state fiscal impact is indeterminate. The bill requires the Department of General Services (DGS) to notify each member of the General Assembly, the chief executive officer of the locality in which the property is located, and any adjacent homeowner of the proposed sale, lease, or sublease of surplus real property and excess building space.

DGS is currently subject to other requirements related the sale, lease, or sublease of surplus real property and excess building space in § 2.2-1156, Code of Virginia. Therefore, administrative work to provide the notifications required by the bill can be absorbed by DGS.

In order to verify any homeowners adjacent to properties proposed to be sold or leased, a title search may be necessary. In such cases, DGS would contract with an outside title company. At the time of posting this fiscal impact statement, the estimated cost of each title search was unknown. Depending on the number of title searches necessary, these costs could impact the recovery rate charged by the DGS Division of Real Estate Services internal service fund. However, any impact is indeterminate at this time.

The bill provides that written notice to each member of the General Assembly shall be provided by DGS through the Office of the Clerk for the respective house. According to the Office of the Clerk of the House and Senate, this is not expected to result in a fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Department of General Services,
Offices of the Clerk of the House of Delegates and the Senate

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: January 21, 2016
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