

## Department of Planning and Budget

### 2016 Fiscal Impact Statement

**1. Bill Number:** SB649

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Surovell

**3. Committee:** Finance

**4. Title:** Claims; Davey Reedy.

**5. Summary:** Provides relief in the amount of \$961,489 to Davey Reedy, who was incarcerated from 1988 until 2009 after being convicted of two counts of first degree murder and arson in the daytime. On December 21, 2015, Governor McAuliffe granted an absolute pardon to Mr. Reedy, finding that Mr. Reedy's convictions were not supported by the forensic evidence relied upon at trial. Mr. Reedy's relief would be paid as follows: (i) an initial lump sum of \$192,298 to be paid within 60 days immediately following the execution of a release by Mr. Reedy from any present or future claims he may have and (ii) the sum of \$769,191 to purchase an annuity before October 1, 2016, for the primary benefit of Mr. Reedy with the terms structured in his best interests. In addition, the bill entitles Mr. Reedy to receive up to \$10,000 for tuition for career and technical training within the Virginia Community College System.

**6. Budget Amendment Necessary:** Yes. Item 278.

**7. Fiscal Impact Estimates:** Preliminary.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2016			
2017	\$961,489		General
2018			

**8. Fiscal Implications:** The proposal will have a general fund fiscal impact of \$961,489 in fiscal year 2017.

The bill provides \$961,489 from the general fund for the relief of Mr. Reedy. The bill provides for, within 60 days of the execution of a release of all claims Mr. Reedy may have against the Commonwealth or any agency, instrumentality, office, employee, or political subdivision in connection with his incarceration, an initial lump sum of \$192,298 to be paid to Mr. Reedy. The bill also provides \$769,191 to purchase an annuity no later than September 30, 2016. The bill stipulates that the annuity shall not be sold, discounted, or used as securitization for loans and mortgages.

In addition, the bill entitles Mr. Reedy to receive career and technical training with the Virginia Community College System free of tuition charges, up to a maximum of \$10,000. The bill stipulates that the cost of tuition shall be paid the community college at which the career or technical training is provided. This tuition benefit expires on January 1, 2021.

The bill also stipulates that Mr. Reedy becomes ineligible to receive any unpaid amounts from the compensation and his beneficiaries become ineligible to receive payments under the annuity upon any felony conviction by Mr. Reedy on or after January 1, 2016. Upon such conviction, Mr. Reedy would also be ineligible to receive any unused portions of the tuition for career and technical training.

Any cost to the Community College System due to this bill is expected to be absorbed using existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Department of the Treasury, Virginia Community College System.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

DPB Analyst: jgc