

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: HB1456

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

2. Patron: Robert M. “Bob” Thomas

3. Committee: General Laws, Subcommittee #1

4. Title: State Inspector General; powers and duties.

5. Summary: Requires the State Inspector General to receive complaints that allege a local ordinance violates state law, determine whether the complaints give reasonable cause to investigate, and provide a report detailing any findings to the complainant.

6. Budget Amendment Necessary: Yes.

7. Fiscal Impact Estimates: Preliminary. See item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018			GF
2019	\$230,515 to \$733,079	1	GF
2020	\$230,515 to \$733,079	1	GF
2021	\$230,515 to \$733,079	1	GF
2022	\$230,515 to \$733,079	1	GF
2023	\$230,515 to \$733,079	1	GF
2024	\$230,515 to \$733,079	1	GF

8. Fiscal Implications: Although, at this time, insufficient data exists to determine the full fiscal impact of this bill, the proposed legislation would result in an increase in workload for the Hotline Section and Investigation Department of the Office of the State Inspector General (OSIG). Additionally, the Office of the Inspector General (OSIG) would require the services of an attorney, at a cost of approximately \$105,000 per year, to assess whether questioned local ordinances violate state law.

It is difficult to calculate the increase to the number of Hotline calls because Virginia counties, cities and towns have currently enacted local ordinances that possibly meet the criteria of this bill; and provisions of existing local ordinances can be impacted by State law changes passed during each Session. Below is a high-level estimate that projects Hotline Section and Investigation Department costs increasing at the same rate as workload. The fiscal year 2018 budget for these two areas, totaling \$1,256,158, is used as the base.

- 10% annual workload increase would increase cost by \$125,515
- 25% annual workload increase would increase cost by \$314,039
- 50% annual workload increase would increase cost by \$628,079

There is also a potential for additional costs for other areas of OSIG stemming from workload impacts on the State Inspector General, Deputy Inspector General, Business Office, Communications Director, etc. These amounts are indeterminate.

9. Specific Agency or Political Subdivisions Affected: Office of the State Inspector General.

10. Technical Amendment Necessary: No.

11. Other Comments: