

## Department of Planning and Budget 2019 Fiscal Impact Statement

**1. Bill Number:** HB2081

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

**2. Patron:** Watts

**3. Committee:** Passed Both Houses

**4. Title:** Common Interest Community Board; association fees; Common Interest Management Information fund.

**5. Summary:** Eliminates annual assessments levied by the Common Interest Community Board. The bill allows for the collection of application, renewal, and annual reporting fees set by the Board in accordance with a biennial assessment of the Common Interest Community Management Information Fund similar to the assessment required by the Callahan Act (§ 54.1-113, Code of Virginia), but at no time shall such fee exceed \$25 if such fee is based on the number of units or lots in the association.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See Item 8.

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	\$0	n/a
2020	(\$646,619)	NGF
2021	(\$647,228)	NGF
2022	(\$647,838)	NGF
2023	(\$648,449)	NGF
2024	(\$649,060)	NGF
2025	(\$649,672)	NGF

**8. Fiscal Implications:** It is anticipated that this bill will result in a revenue impact to the Department of Professional and Occupational Regulation (DPOR) as this bill eliminates the annual assessment fee as required by statute and provides that any necessary fees be assessed under the Common Interest Community Board (Board) regulations. The revenue from the annual assessment fee in statute is not needed to cover Board expenses as revenue from the fees currently in regulation will be sufficient to cover all expenses incurred by and allocated to the Board. The Board's revenue is anticipated to decrease by more than \$646,000 annually, based on non-general fund revenue projections completed in October 2018.

The \$25 fee limit does not affect DPOR's revenue estimates. The decrease in revenue is due to the assessment fee being taken out of statute. The maximum fee of \$25 is for the fee that is

in regulation. Currently, DPOR has temporary fees of \$10 in regulation, which is below the maximum fee of \$25. The \$10 fee is not expected to change.

It is anticipated that any costs DPOR may incur for the revision of assessment fees levied by the Board following the close of any biennium so that fees are sufficient but not excessive to cover expenses can be absorbed within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation.

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

**11. Other Comments:** None.