## **Commission on Local Government**

## **Estimate of Local Fiscal Impact**

2023 General Assembly Session | 01/20/23

In accordance with the provisions of 30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of legislation impacting local governments.

HB 2352: Bill Title. (Patron: Delegate Suhas Subramanyam)

Bill Summary: Removal of hate symbol defacement. Requires localities by ordinance to undertake or contract for the removal or repair of the hate symbol defacement of any public building, wall, fence, or other structure or any private building, wall, fence, or other structure where such hate symbol defacement is visible from any public right-of-way. The bill requires the ordinance to provide that whenever the property owner, after reasonable notice, fails to remove or repair the hate symbol defacement, the locality shall have such hate symbol defacement removed or repaired by its agents or employees. The bill defines "hate symbol defacement" as the unauthorized application by any means of any writing, painting, drawing, etching, scratching, or marking of an inscription, word, mark, figure, or design of any type intended to intimidate or harass any individual or group because of race, religion, gender, disability, gender identity, sexual orientation, or ethnic or national origin. The bill provides that if the hate symbol defacement occurs on a structure located on an unoccupied property, and the locality removes or repairs the hate symbol defacement after complying with notice provisions, the actual cost or expenses thereof shall be chargeable to and paid by the owners of such property and may be collected by the locality as taxes are collected; however, no lien shall be chargeable to the owners of such property unless the locality has given a minimum of 15 days notice to the property owner prior to the removal of the hate symbol defacement.

| <b>Local Fiscal Impact:</b> | Net Additional Expenditure: | _X | <b>Net Reduction of Revenues:</b> |  |
|-----------------------------|-----------------------------|----|-----------------------------------|--|
| Summary Analysis:           |                             |    |                                   |  |

Number of Localities Responding: 7 Cities, 5 Counties, 4 Towns, 1 Other

Localities estimated a negative fiscal impact ranging from \$0 to \$50,000 over the biennium. Two localities provided numerical estimates of \$12,000 to \$50,000.

Localities identified the bill's fiscal impact as the increase expenditures on removing the hate symbol defacement from the affect structured. Localities indicated that the actual expenditure would vary depending on the size, type and surface the hate symbol was applied to. Additionally, while localities indicated that there were mechanisms for them to recoup cost for cleaning occupied property, they expressed concerns over the need to clean abandoned or blighted private property. A few noted that they would need more explicit definitions of "hate symbol" in order to avoid increased liability risks.

Some localities reported no fiscal impact as they already took efforts to clean and/or removed defaced public property.

## Net Increase in Expenditures: Itemized Estimates by Responding Localities

| Locality             | Juris  | Recurring Expense-<br>Personnel |      | Recurring Expense -<br>Operating |          | Recurring Expense -<br>Capital |      | Recurring Expense -<br>Other |      |
|----------------------|--------|---------------------------------|------|----------------------------------|----------|--------------------------------|------|------------------------------|------|
|                      |        | FY23                            | FY24 | FY23                             | FY24     | FY23                           | FY24 | FY23                         | FY24 |
| City of Alexandria   | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Chesapeake   | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Danville     | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Harrisonburg | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Manassas     | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Norfolk      | City   |                                 |      |                                  |          |                                |      |                              |      |
| City of Richmond     | City   |                                 |      |                                  |          |                                |      |                              |      |
| Augusta County       | County |                                 |      |                                  |          |                                |      |                              |      |
| Mecklenburg County   | County |                                 |      |                                  |          |                                |      |                              |      |
| Prince George County | County |                                 |      |                                  |          |                                |      |                              |      |
| Rappahannock County  | County | \$1                             | \$1  |                                  |          |                                |      |                              |      |
| Roanoke County       | County |                                 |      |                                  |          |                                |      |                              |      |
| Northern Neck PDC    | Other  |                                 |      |                                  |          |                                |      |                              |      |
| Town of Blacksburg   | Town   |                                 |      |                                  |          |                                |      |                              |      |
| Town of Leesburg     | Town   |                                 |      | \$6,000                          | \$6,000  |                                |      |                              |      |
| Town of Luray        | Town   |                                 |      | \$25,000                         | \$25,000 |                                |      |                              |      |
| Town of Marion       | Town   |                                 |      |                                  |          |                                |      |                              |      |

## Net Increase in Expenditures: Itemized Estimates by Responding Localities

| Locality             |      | Nonrecurring Expense -<br>Operating |      | Nonrecurring Expense -<br>Capital |      | ing Expense -<br>ther | Penny Value of<br>Increase on Real | Total Increase in Expenses |  |
|----------------------|------|-------------------------------------|------|-----------------------------------|------|-----------------------|------------------------------------|----------------------------|--|
|                      | FY23 | FY24                                | FY23 | FY24                              | FY23 | FY24                  | Estate Rate*                       | (Biennium Total)           |  |
| City of Alexandria   |      |                                     |      |                                   |      |                       | 0                                  | \$0                        |  |
| City of Chesapeake   |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| City of Danville     |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| City of Harrisonburg |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| City of Manassas     |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| City of Norfolk      |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| City of Richmond     |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Augusta County       |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Mecklenburg County   |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Prince George County |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Rappahannock County  |      |                                     |      |                                   |      |                       |                                    | \$2                        |  |
| Roanoke County       |      |                                     |      |                                   |      |                       | 0                                  | \$0                        |  |
| Northern Neck PDC    |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Town of Blacksburg   |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |
| Town of Leesburg     |      |                                     |      |                                   |      |                       | 0                                  | \$12,000                   |  |
| Town of Luray        |      |                                     |      |                                   |      |                       | 0.005                              | \$50,000                   |  |
| Town of Marion       |      |                                     |      |                                   |      |                       |                                    | \$0                        |  |

| Locality             | Expenditure Narrative by Responding Localities   |
|----------------------|--|
| City of Alexandria   | The City believes several factors would determine potential cost increases, including how much or size of the graffiti, what kind of surface is the graffiti on (brick, concrete, asphalt, historic structure, siding, etc.), how it will be removed based on the surface or type of paint, how often would the City need to provide this service, would the City use in-house resources or a third party, how many staff would be required. While a fiscal impact is anticipated with this proposed bill, it is currently unquantifiable. |
| City of Chesapeake   |  |
| City of Danville     | Currently, when graffiti of any type is reported on public buildings, it is removed as soon as possible. We also notify property owners if any graffiti is reported on their property for removal. Staff does not foresee any significant cost impact.   |
| City of Harrisonburg |  |
| City of Manassas     | We already enforce this so we do not anticipate additional expense.  |
| City of Norfolk      | If the city is transferring the cost of removal onto the citizen to clean, or reimburse the city to clean, then the expense the city is taking on should be reimbursed through revenue by the property owners. To the best of our knowledge, the city already removes defacement of public property. We would assume that any hate symbols on public display would already be a violation of city code.  |
| City of Richmond     |  |
| Augusta County       | There could be an increase in expenditures on a case by case basis, depending on the amount of damage. Cannot estimate amount. County assets to potentially be vandalized include: street name signs, solid waste and recycling collection containers and site areas, public park areas, office buildings, libraries, etc.   |
| Mecklenburg County   | It is possible this would cause any increase if such work occurs and could not be done by in-house staff, but there is no way of knowing how much this work may cost without bidding or the total number of instances it may arise. Also, what is the trigger for the response to begin? Who must file a report to cause an investigation for the "reasonable clock" notice to begin?  |
| Prince George County | This legislation would not have a significant additional impact on County expenditures (personnel / other) as: County would already take measures to remove hate symbols from County-owned property County could recover cost of removal from vandals/property-owners for hate symbols on privately-owned property visible from a public right of way.   |
| Rappahannock County  | It is not possible to calculate the actual expense. The subjective language of the bill as to the definition of language or images that would apply could lead to lengthy legal battles and political discord owing to language or images that are predicted by the first amendment, yet found objectionable by others.  |
| Roanoke County       | The County already works to ensure this occurs, but if strict requirements are put into place we may see an increase in staff time, cleaning/removal supplies and time.  |

| Locality           | Expenditure Narrative by Responding Localities   |
|--------------------|--|
| Northern Neck PDC  | PDCs have no land use jurisdiction, so such an ordinance would be moot. Please refer to localities' opinions as localities would bear the cost for removal from public buildings and the upfront - to be recouped - on private buildings.                          |
| Town of Blacksburg | Negligible fiscal impact on town expenditures.   |
| Town of Leesburg   | based upon prior year actual spending  |
| Town of Luray      | State will need to provide an updated list of all language and symbols that qualify based upon this legislation, so that enforcement is not open to interpretation.  Typically action upon structures is only pursued by localities after determination by courts. |
|                    | Remediation of abandoned properties will most likely be expense by locality that is never recovered.   |
| Town of Marion     |  |

<sup>\*</sup> Penny value is defined as the amount a locality would need to raise their real estate tax rate to cover the fiscal impacts of the bill, assuming no other changes to revenues or expenditures. It is represented in terms of dollars (e.g., 0.01 is a one cent increase in the real estate tax rate, etc.).