



Department of Virginia Housing and Community Development

Commission on Local Government:
Fiscal Impact Training

January 4th, 2024



VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
Partners for Better Communities



Welcome and Introduction

Standard Meeting Rules:

- (1) This meeting is being recorded
- (2) Please state your name before speaking, and
- (3) Please mute yourself when not speaking (Ctrl + D on your keyboard or *6 on phones)



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Purpose of Fiscal Impact Statements



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Understanding the Statute (§30-19.03 of the Code of VA)

- [§30-19.03 Code of Virginia](#) requires that the Commission, to the extent practical, perform fiscal impact analysis on bills that require expenditures or result in reduction of revenues.

*" Whenever any legislative bill requiring a net additional expenditure by any county, city, or town, or whenever any legislative bill requiring a net reduction of revenues by any county, city, or town, is filed during any session of the General Assembly, the Commission on Local Government shall investigate and prepare an **estimate** setting forth, to the extent practicable, the additional expenditures or reduction of revenues, if any, to be required of the **affected localities** in event of enactment of such legislation"*



What is it good for?...

- Legislators and lobbyists use it to inform decisions and testimony.
- Your analysis provides individualized data points.
- Used to differentiate between cities, counties, and towns.

Volunteer Roles & Responsibilities



Monitoring for FIS Assignments

Register and monitor your inbox for FIS notifications.



Completing FIS Assignments

Complete FIS estimate assignments within the given timeframe.



Submitting FIS Assignments

Submit FIS estimates through the volunteer portal for Commission review.



Volunteer Portal -

Commission on Local Government

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Log In

Welcome to Virginia Department of Housing and Community Development Commission on Local Government Online Submission System!

Please enter your email address and password to login.

Email Address*:

Your Email

Password*:

Log In

Forgot Password

Assigned Password from EFIS
(received in user registration)

Click on Forgot Password, eFIS
will email you new password, if
you forgot your password

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Fiscal Impact Analysis Categories

Volunteer Category	Combined Committees	
	<u>Senate</u>	<u>House</u>
Finance	<ul style="list-style-type: none">• Finance• Commerce and Labor	<ul style="list-style-type: none">• Appropriations• Commerce and Labor• Finance
Education	<ul style="list-style-type: none">• Education and Health• Rehabilitation and Social Service	<ul style="list-style-type: none">• Education• Health, Welfare and Institutions
Local Government	<ul style="list-style-type: none">• Agriculture, Conservation and Natural Resources• Local Government• Transportation	<ul style="list-style-type: none">• Agriculture, Chesapeake and Natural Resources• Counties, Cities and Towns• Transportation
General Laws	<ul style="list-style-type: none">• Court of Justice• General Laws and Technology• Privileges and Election• Rules	<ul style="list-style-type: none">• Courts of Justice• Militia, Police and Public Safety• Privilege and Elections• Rules• Science and Technology

In registration survey, volunteers select which categories they wish to complete FISs for.

These categories correspond to different committee assignments, and should align with a volunteer's interest and expertise.



Questions?



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Overview of 2024 Fiscal Impact Template Components



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Cc: Northcutt, Legrand (DHCD)



Thu 12/14/2023 10:23 AM

HB-TEST has been referred to the Commission on Local Government for local fiscal analysis. Your input is requested for the completion of the fiscal impact statement. This feedback must be entered on the web portal by **12/16/2023**. The link to the bill information is provided below.

Bill: HB-TEST

Link: <https://lis.virginia.gov/>

To login to the web portal, please click this link: <https://dmz1.dhcd.virginia.gov/CLGSubmission/Login.aspx>

Your input is very valuable to this process and that your help is most appreciated. Do not hesitate to contact LeGrand Northcutt at 804-310-7151 or at legrand.northcutt@dhcd.virginia.gov if you have any questions or need assistance.

Thank you,

DHCD CLG Office



Estimate Template

Click on the bill you want to review to pull up the analysis form.

The form will ask you to:

- Identify your locality or organization;
- Identify if a bill is a net reduction in revenues or increase in expenditures;
- Provide a rough itemized estimate for where the impact occurs;
 - Classify expenditures by recurring or one-time
 - Classify reductions by revenue stream
- Space for narrative explanation.

12/14/22, 1:30 PM CLG Online Submission System

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Analysis Form

Bill Number: 12 **Patron:** Anderson **Due Date:** 12/15/2022

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 the above-referenced legislation:

Bill Summary:
Public school buildings; entry points; limits; screening. Requires each local school board to (i) limit to the lowest feasible number the entry points in each public school building in the local school division, (ii) ensure that each individual who seeks to enter any school building in the local school division is screened with a handheld metal detector wand by a school security officer or another appropriate school board employee who is appropriately trained in such method of screening, (iii) require each such school security officer or other appropriate school board employee to implement further screening according to a protocol that it deems appropriate in any case in which the school board employee who conducts the initial screening has reason to believe that the individual who seeks to enter the school building is in possession of a weapon, and (iv) prohibit any individual from entering any school building in the local school division if the individual fails or refuses to submit to the screening required in clauses (ii) and (iii).

1. Please identify the jurisd of your locality or organization

If you selected "Other", please identify your Organization

2. Please name the locality or organization you represent

3. Is this analysis for a House or Senate Bill?
 House Bill Senate Bill

Expenditure Impacts

<https://dmz1.dhcd.virginia.gov/CLGSubmission/AnalysisDetail.aspx?AID=236> 1/3



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Analysis Form

Bill Number: [12](#)

Patron: Anderson

Due Date: 12/15/2022

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 the above-referenced legislation:

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1. Please identify the juris of your locality or organization

If you selected "Other", please identify your Organization

2. Please name the locality or organization you represent

3. Is this analysis for a House or Senate Bill?

House Bill Senate Bill



Expenditure Impacts

4. Will the provisions of this bill lead to a direct net increase in expenditures for your locality over the next two years? If answering "no", please skip to question 7.

Yes No

5. Please estimate the RECURRING expenditure changes from this bill

	FY 2025	FY 2026
Personnel Costs:	\$ <input type="text"/>	\$ <input type="text"/>
Operating Costs:	\$ <input type="text"/>	\$ <input type="text"/>
Capital Costs:	\$ <input type="text"/>	\$ <input type="text"/>
Other:	\$ <input type="text"/>	\$ <input type="text"/>
Total:	<input type="text"/>	<input type="text"/>

6. Please estimate the ONE TIME expenditure changes from this bill

	FY 2025	FY 2026
Non Recurring Costs:	\$ <input type="text"/>	\$ <input type="text"/>
Capital Costs:	\$ <input type="text"/>	\$ <input type="text"/>
Other:	\$ <input type="text"/>	\$ <input type="text"/>
Total:	<input type="text"/>	<input type="text"/>

7. Please provide a brief narrative explaining your estimate (e.g., assumptions made, impacting factors, other policy input, etc.)



Revenue Impacts

8. Will the provisions of this bill lead to a direct net decreases in revenues for your locality over the next two years? If answering "no", please skip to question 10.

Yes No

9. Please estimate the direct changes to net revenues caused by the provisions of the bill:

	FY 2025	FY 2026
Real Estate Revenue:	\$ <input type="text"/>	\$ <input type="text"/>
Personal Property Revenue:	\$ <input type="text"/>	\$ <input type="text"/>
Sales Tax Revenue:	\$ <input type="text"/>	\$ <input type="text"/>
BPOL Tax Revenue:	\$ <input type="text"/>	\$ <input type="text"/>
Other Local Revenues:	\$ <input type="text"/>	\$ <input type="text"/>
State Revenues:	\$ <input type="text"/>	\$ <input type="text"/>
Total:	<input type="text"/>	<input type="text"/>

10. Please provide a brief narrative explaining your estimate (e.g., assumptions made, impacting factors, other policy input, etc.)



Fiscal Impact Analysis – What makes a Good Analysis?



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Fiscal Impact Analysis - Bill Analysis

- Assess the legislation's general intent:
 - What part of the budget (public safety, gen gov, education, etc.) is impacted?
- Identify if legislation is a increase in expenditures or decrease in revenues:
 - For expenditures, consider **direct** operating and capital costs
 - Also consider program and policy implications (staff and salaries) when appropriate
 - “Expenditures” should be broadly defined-- include all anticipated costs in statute
 - For revenues, consider baseline estimates and what tax/fee is impacted
 - Net reduction, so factor in savings where appropriate
- Check the legislation's timing and impact:
 - Does the bill repeal prior action, accelerate or decelerate implementation, or have a delayed effective date?

Fiscal Impact Analysis - Analysis Goals





Fiscal Impact Analysis - Tips and Tricks

- Answer all of the questions:
 - Put a narrative response, even if it is “this bill does not apply to my locality”.
- Consider the impact to ***your locality only***:
 - If the bill has no impact, explain why in the narrative section.
- Include only ***objective analysis*** on the bill:
 - Do not include comments such as “this bill is a bad idea,” or “this bill is in our legislative package.”
- ***Some*** analysis is better than ***no*** analysis:
 - S.W.A.G. - this is a “back of an envelope” analysis.
- ***Reach out*** if you need help:
 - Issues with the portal, need a gut check on a response, etc.



Questions and Answers



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Fiscal Impact Analysis - Reference Documents

Additional resources available on the
[DHCD webpage for FISs](#)

Staff Contact:

LeGrand Northcutt

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804-310-7151

THIS
PRESENTATION

"GOOD
ESTIMATE"
GUIDE

FIS PROCESS
INSTRUCTIONS