

2022 SESSION

INTRODUCED

22103839D

HOUSE BILL NO. 559

Offered January 12, 2022

Prefiled January 11, 2022

A BILL to amend the Code of Virginia by adding a section numbered 22.1-98.3, relating to local school boards; composite index of local ability-to-pay; required local effort; adjustment in certain circumstances.

Patron—O'Quinn

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 22.1-98.3 as follows:

§ 22.1-98.3. *Composite index of local ability-to-pay; required local effort; adjustment in certain circumstances.*

In any case in which a local school board enters into a comprehensive agreement with a private entity pursuant to § 56-575.9 whereby the private entity finances the construction of a new public school building in the local school division through the issuance of bonds; leases the building to the local school board in an arrangement such as a certificate of participation, a double net lease, or a triple net lease; and expects the local school board to make lease payments in an annual amount that approximates or is equal to the annual debt service on such bonds, the Department shall not consider 50 percent of such lease payments as capital outlay and debt service and therefore shall not subtract such payments in the biennial calculation of net local expenditures for operations or required local effort for the purpose of determining such local school division's composite index of local ability-to-pay, if so requested by the local school board.

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