

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 477

**PRINTER NO.** 689

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

March 31, 2021

**PRIME SPONSOR**

Senator J. Ward

**DESCRIPTION**

Senate Bill 477 amends Title 53 (Municipalities Generally), specifically Chapter 88, known as the Consolidated County Assessment Law, to further define changes to real property that require notice to the county assessment office.

This bill defines “normal regular repairs” to include repairs or replacement of material or components of property features with reasonably similar new versions. These improvements are no longer grounds for an assessment adjustment, and the \$2,500 threshold is removed.

The legislation adds demolition permits to required permits to be submitted to the county assessment office. It increases the threshold for substantial improvements from \$2,500 to \$4,000 and increases the value annually by the Consumer Price Index. The bill allows for counties to enact ordinances requiring submission of county improvement certification forms to the county assessment office prior to the beginning of any substantial improvement and regardless of whether a building permit is required.

Additional penalties and procedures for non-compliance of reporting are addressed, including court proceedings for intentional non-compliance by municipalities or third-party agencies. Senate Bill 477 also provides for an increase of civil fines for citizens from \$50 to \$100 for intentional non-compliance.

**FISCAL IMPACT:**

Senate Bill 477 will have no fiscal impact on Commonwealth funds. The Local Government Commission indicates that persistent issues involving the submission of building permit information are rare, and the law provides options to county assessment offices and is intended to be punitive only when the failure to submit permit or improvement information is intentional.

This legislation provides counties the option to require by ordinance the submission of an improvement certification form for all substantial improvements above \$4,000 and the ability to collect a \$5 fee. Additional revenue collected by a county would be determined by a county’s choice to require such a form and the number of substantial improvements being undertaken above the value threshold.