

# Capitol Contact

## Virginia General Assembly

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## VACo opposes bill to revise how localities determine water and sewer connection fees

Under current law the fees localities set for the connection of water and sewer service must be “fair and reasonable.” [SB 1569 \(Reeves\)](#) would change that standard to “practicable and equitable” and then require that the fees must adhere to specific criteria currently applicable only to treatment of sewage waste. Such criteria are not appropriate because the infrastructure necessary to connect users of water and sewer is substantially different from the ongoing costs to treat sewage. Further complicating this issue is the fact that the “fair and reasonable” standard localities must employ, whether individually or as part of a regional authority or commission, exists in six separate code sections. This bill only changes the standard in one section of State Code, thereby establishing conflicting standards as to what a locality must adhere to.

The bill passed the Senate 35-5 and cleared the House Counties, Cities and Towns Committee on Friday morning by a vote of 17-5. Both the Home Builders Association of Virginia and the Virginia Manufacturers Association say the new standard is necessary because some local governments are establishing “exorbitant” fees. Additionally, the patron of the bill testified in committee that localities were “padding their budgets” with revenue generated by the connection fees.

**The measure will be voted on the House floor next week. Contact your Delegate to vote NO on SB 1569.**

[VACo Members – Share your thoughts on FlagPoll.](#)

### Talking Points

- The standard for determining one-time connection fees should not be confused with the ongoing fees for treatment of sewage.

- The bill unnecessarily creates a conflicting standard in state code for localities when determining the fees for connection of water and sewer.

## Key Contacts

### [House of Delegates](#)

VACo Contact: [Joe Lerch, AICP](#)

## Check Register bill defeated in committee

By a unanimous vote, [SB 795 \(Sturtevant\)](#) was tabled in a subcommittee of the House Counties, Cities and Towns Committee on Wednesday afternoon. The failed proposal would have required every locality and every school division to post on its website a register of all transactions. This includes vendor name, date of payment, amount and description of the type of expense.

**VACo opposed the measure as an unfunded mandate.** In addition to the cost of software, the bill would have required significant staff time to implement, since staff would need to review transactions and redact certain payments (such as payments to undercover law enforcement).

VACo Contact: [Joe Lerch, AICP](#)

## Short-term rental bill clears another hurdle

[SB 1578 \(Norment\)](#), which affirms local government authority over short-term rentals, unanimously passed the House General Laws Committee on Thursday and then was referred to House Appropriations where it will likely be voted on Monday afternoon.

**VACo supports SB 1578** because it preserves local authority and authorizes a locality to adopt an ordinance requiring the registration of persons offering property for short-term rental. The bill defines “short-term rental” as the provision of a room or space suitable for sleeping or lodging for less than 30 consecutive days. The bill authorizes localities to impose fees and penalties on persons who violate the registry ordinance or who offer short-term rentals that have multiple violations of state or federal laws or ordinances, including those related to alcoholic beverage control.

VACo Contacts: [Joe Lerch, AICP](#) and [Phyllis Errico, CAE](#)

## The latest on education bills

As mentioned at County Government Day, the constitutional amendments that would have allowed the Board of Education to approve charter schools failed to advance this year. However, two bills on the same topic remain in play. As amended, [HB 2342 \(Landes\)](#) and [SB 1283 \(Obenshain\)](#) would allow the Board of Education to establish regional charter school divisions in regions where each school division has an enrollment of more than 3,000 students and one or more schools in each school division have been denied accreditation for two of the past three years. A school board would be appointed for the regional charter school division, with eight members to be appointed by the state Board and three members to be appointed by the governing bodies of the localities of the underlying school divisions – a composition that is heavily weighted toward state appointees. **VACo has historically opposed decisions** about local schools being removed from the hands of local school boards. SB 1283 narrowly passed the Senate (21-19) and is headed to the House floor. HB 2342 is headed to the Senate floor. The McAuliffe Administration has stated its opposition to these bills.

[HB 1605 \(LaRock\)](#) and [SB 1243 \(Dunnavant\)](#) provide for Parental Choice Education Savings Accounts and are variations on legislation that has been considered in previous years. SB 1243 failed on the Senate floor (20-20 with the Lieutenant Governor voting against). The House version, which as introduced would have allowed all students who attended public schools for two semesters to apply to participate, has been conformed to the Senate version, which is more narrowly drawn and applies only to children with Individualized Education Programs who live in families with incomes less than or equal to 300 percent of the poverty. The bill allows for the transfer of state Standards of Quality funding to the families of qualified students for use in a variety of education-related expenses, such as tuition at private schools (which could be sectarian or non-sectarian) and fees for standardized tests. **VACo has historically opposed such measures** due to their diversion of funding away from public schools. The Senate Finance Committee added a reenactment clause to the bill (which provides that it will not take effect unless the same bill is passed by the 2018 General Assembly), and it will be on the Senate floor early next week. The House budget contains \$380,000 in FY 2018 to fund start-up costs for the three positions at the Virginia Department of Education that would be needed to administer the program; the Senate budget does not contain funding for this purpose.

**VACo Contact:** [Katie Boyle](#)

## Amended ‘stormwater’ bill supported by VACo clears Senate Committee

After unanimously passing in the House, [HB 1774 \(Hodges\)](#) was reported by the [Senate Agriculture, Conservation and Natural Resources Committee](#) on a [12-0 vote](#). As amended, HB 1774 authorizes a cooperative study facilitated by the Virginia Coastal Policy Center at William and Mary Law School. Under the bill, the Commonwealth Center for Recurrent Flooding Resiliency will convene a work group with representatives from the Virginia Institute of Marine Science, Old Dominion University, VDOT, DEQ, the Chesapeake Bay Commission, local governments, representatives from environmental groups and a few other stakeholders.

HB 1774 also delays from July 1, 2017 to July 1, 2018 the effective date of the comprehensive stormwater legislation that the 2016 General Assembly passed (or 30 days after the implementing regulations are approved by the State Water Control Board, whichever is later).

**VACo Contact:** [Larry Land, CAE](#)

## Update on Constitutional Amendments

Numerous Constitutional amendments were introduced this year, but only a few remain under consideration. In order to be incorporated into the Constitution, an amendment must pass this session and next session in identical form and then be approved by referendum (traditionally at the next November general election).

The following measures remain under consideration:

[HJ 562 \(Miyares\)](#), which incorporates a similar resolution, [HJ 697 \(Byron\)](#), allows surviving spouses of disabled veterans to continue to receive an exemption from property taxes if they relocate to another property. Currently, the surviving spouse must continue to occupy the real property for which the exemption was originally granted. There was some discussion during the full House committee hearing about limiting the amount of the tax exemption provided for the new property to the amount previously received for the property for which the exemption was originally granted. Narrowing the exemption in this way would have to be done in the legislation the General Assembly would pass to implement the Constitutional language, should the voters approve the Constitutional amendment in 2018. This amendment has passed both chambers.

[SJ 284 \(Stuart\)](#) would expand the property tax exemption for surviving spouses of service members who are killed in action to include widows and widowers of service members who die in combat zones. The House amended the bill to

conform it to HJ 562 (which provides for portability of the tax exemption for the surviving spouses of disabled veterans), but the patron rejected this amendment when the bill returned to the Senate. The bill now will be the subject of a conference committee.

[HJ 545 \(Head\)](#) deals with the General Assembly's authority to suspend or nullify regulations promulgated by the executive branch. This measure has passed the House and is on the Senate floor. A similar measure, [SJ 295 \(Vogel\)](#), which is on the House floor, provides that the General Assembly may approve or reject administrative rules and that this action would not be subject to the Governor's veto.

[HJ 693 \(LaRock\)](#) limits the use of transportation funds for purposes other than transportation. This measure has been termed the "single lockbox" because it prevents transportation funds from being diverted to non-transportation purposes, except by a super-majority vote of the General Assembly. In the past, the Senate has preferred a "double lockbox" approach that also prevents General Fund monies from being diverted to transportation. This measure has passed the House and is before the full Senate.

[SJ 331 \(Lewis\)](#) allows the General Assembly to authorize localities to provide a property tax exemption for flooding remediation projects. This resolution was narrowly reported by the House Privileges and Elections Committee (12-10) and will be on the House floor next week.

**VACo Contact:** [Katie Boyle](#)

## All 'fracking trade secret' bills defeated

[HB 1679 \(Robinson\)](#) was stricken from the docket of Thursday's meeting of the [Senate Agriculture, Conservation and Natural Resources Committee](#). This was the last surviving bill that would have provided "trade secret" status for certain chemicals used in the process of hydraulic fracturing. The other three defeated bills were [HB 1678 \(Robinson\)](#), [SB 1291 \(Chafin\)](#) and [SB 1292 \(Chafin\)](#). VACo opposed all four bills.

**VACo Contact:** [Larry Land, CAE](#)

## An update on immigration bills

Several bills were introduced dealing with local governmental enforcement of federal immigration laws and policies but only one appears to be still alive.

[HB 1468 \(Marshall, R.G.\)](#) deals with compliance by the Department of Corrections, local sheriffs and regional jail superintendents with requests from the Federal Immigration and Customs Enforcement agency to hold prisoners pending ICE taking them into custody (“ICE detainees”). As introduced the bill would have required compliance with all ICE detainee requests, even past the date the subject state prison or jail inmate is entitled to be released on state criminal charges. In its current form, the bill allows release of the inmate in situations when some federal courts have said that full compliance with ICE detainees would be unconstitutional. These occur when the only reason for the ICE detainee is the inmate’s presence in the United States without a visa or green card, which is a civil offense, not a criminal one. Under the amended bill, honoring the ICE detainee past the state law release date would still be required when there are outstanding federal *criminal* charges against the inmate, which would not be unconstitutional under existing court decisions.

VACo Contact: [Phyllis Errico, CAE](#)

## Key Dates for 2017 General Assembly Session

- **January 11:** General Assembly convenes at noon. Prefiled legislation must be submitted by 10 a.m.; this is also the last day to file bills dealing with the Virginia Retirement System or legislation creating or continuing a study.
- **January 13:** Budget amendments by General Assembly members must be submitted by 5 p.m.
- **January 20:** All bills must be filed by 3 p.m.
- **February 5:** The Senate Finance and House Appropriations Committees must report their respective budgets.
- **February 7:** Crossover (deadline for legislation to pass its chamber of origin)
- **February 9:** Deadline for each chamber to complete work on its budget
- **February 20:** Deadline for committee action on legislation
- **February 25:** Scheduled adjournment *sine die*
- **April 5:** Reconvened session to consider the Governor’s amendments and vetoes