

# Capitol Contact

Virginia General Assembly

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Tuesday, February 5, 2019

## Problematic machinery and tools legislation fails

[HB 2640 \(Byron\)](#) failed to advance to its third reading on the House floor on February 4, which means that the legislation is no longer under consideration this session. **VACo is grateful** to its many members who communicated with their legislators about the concerns raised by this bill, which would have changed a well-established method of valuing machinery and tools. The bill's provisions could have created inequities in valuing equipment, depending on whether the equipment was owned by the original owner or had been sold to a new owner, created administrative complexity for local governments and taxpayers in changing to a new valuation method, and potentially reduced local revenues.

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

## Bill that would have added weddings to definition of “Agritourism Activity” voted down

**VACo opposed** the problematic [HB 2364 \(Knight\)](#), which would have added “weddings” to the definition of “Agritourism Activity” under Code of Virginia § 3.2-6400. This is the section of the Virginia Code that limits the liability of agritourism operators for the risks of agritourism activities. More importantly for localities is the fact that anything defined as “Agritourism Activity” then triggers section 15.2-2288.6, which limits local regulation of agritourism activity. Defining weddings as agritourism impedes local authority to address things such as impacts on neighboring property, access, parking, noise, sanitary issues and other concerns.

On February 4, HB 2364 was defeated on a 60-37 vote with one abstention. Since there is no Senate companion, this issue should be settled for the session.

Thank you VACo Members for speaking with your legislators. It made a difference.

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

## Local government renewable energy bills survive crossover

Delegate Kathy Tran's and Senator Adam Ebbin's local government renewable energy bills have each survived the General Assembly's halfway point and will now be taken up in the opposite chambers.

[HB 2792 \(Tran\)](#) and [SB 1779 \(Ebbin\)](#) establish a six-year pilot program that allows a locality to use excess energy generated by a renewable energy project to be credited towards electric bills for other municipal accounts. Under the program, a county could install solar panels or wind turbines "... located on airports, landfills, parking lots, parks, post-mine land, or a reservoir that is owned, operated, or leased by the municipality" and use excess energy generated at the facility to be credited to other metered accounts. The result will be a reduction in the amount of electricity for which the county is billed by the utility.

SB 1779 cruised through the Senate, unanimously passing the Senate Commerce and Labor Committee and the full Senate. HB 2792 also fared well, passing the House Commerce and Labor Committee, 19-2 (with one abstention), and passing the full House, 78-21. Each bill will now be reheard in the opposite chamber, where they should have a smooth path to passage.

Prior to session convening, VACo, along with other representatives from local governments and energy companies, spent months working on this legislation with the patrons. As the bills have journeyed through the House and Senate, **VACo has been pleased to speak in support** of this important legislation and will continue to do so in the coming weeks.

**VACo Contact:** [Chris McDonald, Esq.](#)

## Proposals to fund I-81 improvements come to a halt

In 2018, the General Assembly required the Commonwealth Transportation Board (CTB) to prepare a [plan](#) that identified options for financing more than \$2 billion in improvements to end severe bottlenecks along this heavily travelled

corridor. Various bills to establish new revenue sources on I-81, through either tolls or tax increases, were modified in each chamber so that none contain any revenue to fund improvements.

[HB 2718 \(Landes\)](#) and [SB 1716 \(Obenshain\)](#) as introduced establish the “Interstate 81 Corridor Improvement Program and Fund” and authorizes the CTB to impose tolls to finance improvements. Both measures as adopted in committee remove the tolling authority and instead create a committee to further study the improvement plan and report to next year’s legislature recommendations for raising the revenue necessary to implement it.

[SB 1322 \(Hanger\)](#), a bill to add an additional 2.1 percent tax on motor fuels sold at wholesale to a retail dealer for sale in a locality along the I-81 Corridor, was rolled into [SB 1470 \(Edwards\)](#). This proposal adds an additional 5 percent to the motor fuels tax statewide. Out of this additional revenue, \$300 million would be reserved for improvements along I-81. The bill was amended in committee to remove the additional levy and simply directs the Secretary of Transportation to (1) evaluate the impact of increased fuel efficiency and increased use of hybrid and electric vehicles on transportation revenues; and (2) develop potential options to provide a sustainable funding stream for transportation infrastructure.

With the legislature seemingly giving up on funding for I-81 at the halfway point of the session, it remains to be seen whether the Northam Administration will try to jumpstart the effort as these bills move forward.

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

## **Bill making harmful changes to local government grievance procedure left in subcommittee**

[HB 2736 \(Hugo\)](#) proposes some major changes to the local grievance procedure, including requiring that the final step of the procedure be agreed upon by the aggrieved employee, doing away with any existing impartial hearing panels and eliminating the provision for determining if the decision is in conformance with local policy.

HB 2736 was docketed in [House Counties, Cities and Towns Committee’s Subcommittee #2](#) on January 30 but was not taken up in Subcommittee or during the final Counties, Cities and Towns Committee Meeting before crossover. Therefore, the bill should be dead for this session.

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

## Charter school bill removing local authority defeated on House floor

On February 5, [HB 2416 \(Davis\)](#), which allows certain charter schools to appeal the denial of an application establish a charter school by a local school board to the Virginia Board of Education, was defeated on the House of Delegates floor on a vote of 62-37.

**VACo has opposed** this bill throughout its legislative journey, as did representatives from numerous school organizations, including the Virginia School Board Association (VSBA) and the Virginia Association of School Superintendents (VASS). VACo continues to oppose any legislation that removes authority from local school boards and divisions to establish charter schools.

Thank you to everyone who responded to our multiple calls to action and contacted members of the House on this bill.

**VACo Contact:** [Jeremy Bennett](#)

## COIA bill amended to eliminate language dealing with Commonwealth's Attorneys

[SB 1430 \(Obenshain\)](#), as introduced, mandates COIA training for local elected officials by December 31, 2019, and thereafter biennially. In addition, this bill as introduced prohibited a Commonwealth's Attorney from also serving as a County, City or Town Attorney. SB 1430 was amended and passed in Senate Rules Committee last week to provide that the training could be done electronically and that there shall be no penalty for failing to complete the training. In addition, the language that prohibited a person from serving as Commonwealth's Attorney and County, City or Town Attorney was eliminated. The bill has advanced to the Senate floor.

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

## Helpful water quality and funding bill unanimously passes House

Legislation introduced by Delegate David Bulova seeking to make several tweaks to the Water Quality Improvement Fund (WQIF) and the Stormwater Local Assistance Fund (SLAF) has unanimously passed the House.

[HB 1822 \(Bulova\)](#) broadens the applicability of WQIF grants as well as enacts new reporting requirements for WQIF and SLAF needs. More specifically, the bill allows the Director of the Department of Environmental Quality (DEQ) to authorize WQIF grants for the design and installation of certain wastewater conveyance infrastructure and also directs the DEQ to consult with stakeholders annually to estimate the amount of grant funding that local governments will request during the upcoming year from WQIF and SLAF and to submit those estimates to the Governor as part of a biennial funding report and an annual progress report that are required by current law.

**VACo was pleased to support** HB 1822 and will continue to do so in the Senate.

**VACo Contact:** [Chris McDonald, Esq.](#)

## House version of Local Stormwater Management Fund passes full chamber

[HB 1614 \(Cole\)](#), which seeks to give localities greater flexibility in addressing stormwater management needs, passed the House of Delegates today and will now head to the Senate for consideration.

If signed into law, HB 1614 would authorize any locality to provide by ordinance the creation of a Local Stormwater Management Fund for providing grants to an owner of private property or a common interest community to be used exclusively for construction, improvement, or repair of stormwater management facilities or for erosion and sediment control and prevention on previously developed lands. Any such local fund will be entirely comprised of local moneys.

A Senate counterpart to this bill, [SB 1248 \(Reeves\)](#), rocketed through the Senate earlier this session and has already been referred to the [House Counties, Cities and Towns Committee](#). HB 1614 will now be referred to the [Senate Local Government Committee](#).

**VACo Contact:** [Chris McDonald, Esq.](#)

## Bill granting limited additional taxing authority to Halifax County for school construction advances

[HB 1634 \(Edmunds\)](#) originally authorized all counties and cities to impose an additional local sales and use tax at a rate as determined by the governing body, if initiated by a resolution of the local governing body and approved by the voters at a referendum. Revenue from the tax would be used solely for capital projects for the construction or improvement of schools.

While **VACo was supportive** of the original bill, it was amended at a January 23 meeting of the House Finance Committee's Subcommittee #2 to only apply to Halifax County and for any additional sales tax to not exceed 2 percent.

On February 5, the bill passed the House of Delegates on a vote of 74-23.

**VACo Contact:** [Jeremy Bennett](#)

## Key Dates for 2019 General Assembly Session

In accordance with the [procedural resolution](#) adopted by the House and Senate on January 9, key dates for the 2019 General Assembly Session are as follows:

- **January 9:** General Assembly convenes at noon. Bills that are “prefiled” must be submitted by 10 a.m. House bills affecting the Virginia Retirement System or creating or continuing a study must be filed before adjournment of the House; a similar deadline applies to Senate bills. The House and Senate will meet in Joint Assembly, typically at 7 p.m., for the Governor’s “State of the Commonwealth” address.
- **January 11:** Budget amendments from General Assembly members must be submitted to the House Appropriations and Senate Finance Committees by 5 p.m.
- **January 18:** All bills must be filed by 3 p.m. (bills may be introduced after the deadline by unanimous consent)
- **February 3:** House Appropriations and Senate Finance Committees report their respective budgets by midnight.
- **February 5:** “Crossover” deadline for each chamber to complete work on legislation originating in that chamber (except for the budget bills)
- **February 7:** Deadline for each chamber to complete work on its budget
- **February 13:** Deadline for each chamber to complete work on the other chamber’s budget and appoint budget conferees; also the deadline for each chamber to act on revenue bills from the other chamber and appoint conferees.
- **February 18:** Deadline for committee action on bills
- **February 23:** Scheduled adjournment *sine die*

- **April 3:** Reconvened session to consider gubernatorial amendments and vetoes

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