

# Capitol Contact

## Virginia General Assembly

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Tuesday, February 11, 2020

# Revenue fairness bills advance at “crossover”



[HB 785 \(Watts and Kilgore\)](#) and [SB 588 \(Hanger\)](#), which make major progress in providing additional tools for counties to raise revenue, crossed another milestone this week in passing their respective chambers of origin. SB 588, which incorporated a similar bill by Senator Barbara Favola and several bills by Senator Lynwood Lewis, Senator Mamie Locke, and Senator Monty Mason that addressed individual revenue

sources, passed the Senate on February 10 by a vote of 24-15. HB 785, which incorporated [HB 977 \(Krizek\)](#), passed the House on February 11 by a vote of 60-38, with one abstention.

HB 785 would authorize Counties to levy admissions and cigarette taxes in the same manner as those revenue sources are available to Cities. The bill would authorize Counties to collect transient occupancy taxes above 2 percent; revenue generated by taxes up to a 5 percent rate would either be used for purposes already authorized (so as to preserve existing arrangements made by localities) or would be used for tourism promotion. Revenues generated above a 5 percent rate could be used for general purposes. The bill would allow counties to impose meals taxes without a referendum, but if a county's meals tax referendum failed before July 1, 2020, it could not impose a meals tax until six years after that referendum.

SB 588 would authorize Counties to levy meals, transient occupancy, cigarette, and admissions taxes, subject to caps and subject to a delayed enactment date of July 1, 2021. The bill would permit Counties to collect admissions taxes not to exceed 10 percent (with the exception of James City County and York County, which were carved out via a floor amendment). Counties would be permitted to impose transient occupancy taxes at a rate not to exceed 5 percent (revenues from rates above two percent would either be used for previously-authorized purposes or for tourism promotion). Counties would be authorized to impose cigarette taxes at a rate up to 40 cents per pack; the bill would also cap rates for cities and towns at this level, although current rates would be grandfathered. Counties would be able to levy meals taxes at a rate of up to 6 percent without a referendum, although any county in which a meals tax referendum failed between July 1, 2018, and July 1, 2020, could not levy a meals tax until July 1, 2022. Enactment clauses would direct a stakeholder workgroup to streamline the process of cigarette tax collection and direct the Division of Legislative Services to undertake a review of the differences in authorities and responsibilities between counties and cities.

VACo is grateful to its members who contacted their legislators in support of this important legislation. Please continue to encourage General Assembly members to support additional tools for counties to raise the revenues needed to provide critical public services.

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

## **Local government mandate for public defenders' salaries narrowly passes House**

A problematic bill that mandates local governments supplement their public defenders' salaries has narrowly passed the House of Delegates by a razor thin 50-48 vote.

[HB 869 \(Bourne\)](#) requires that the governing body of any County or City that elects to supplement the compensation of the attorney for the Commonwealth, or any of their deputies or employees, above the salary of any such attorney of the Commonwealth, deputy, or employee, to proportionally supplement the compensation of the public defender, or any of his deputies or employees.

VACo opposes HB 869 for several reasons.

## KEY POINTS

- If any locality supplements their Commonwealth's Attorney's salary – as many, if not most, localities already do – this creates an unfunded mandate requiring that they also supplement their Public Defender's salary.
- Commonwealth's Attorneys are independently elected, constitutional officers, while Public Defenders are state employees. Requiring local governments to fund state employees sets a dangerous precedent.
- The legislation lacks clarity on how to properly address Commonwealth's Attorney's offices or Public Defender's offices that are shared by multiple localities.
- The legislation lacks clarity on how to address supplements to positions that exist in a Commonwealth's Attorney's office but do not exist in a Public Defender's office.

HB 869 narrowly escaped the House Committee on Courts of Justice, first *failing* to report 11-11 but eventually reporting to the House 12-10 after the vote was reconsidered. On the House floor, the bill barely survived by a two-vote margin. HB 869 will now be referred to the Senate Judiciary Committee.

VACo members should contact their legislators on the Senate Judiciary Committee and express their opposition to HB 869.

## KEY CONTACTS

**Senate Judiciary Committee:** [Edwards \(Chair\)](#), [Saslaw](#), [Norment](#), [Lucas](#), [Obenshain](#), [McDougle](#), [Stuart](#), [Stanley](#), [Chafin](#), [Deeds](#), [Petersen](#), [Surovell](#), [McClellan](#), [Boysko](#), [Morrissey](#)

**Email entire committee at once –** [Senate Judiciary Committee](#)

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

## Peer-to-peer vehicle rental legislation finally clears committee

Legislation seeking to create a comprehensive framework for peer-to-peer vehicle rentals has finally made it out of Committee, reporting from Senate Finance by a vote of 14-1-1.

Peer-to-peer vehicle rentals involve a vehicle owner listing a vehicle for rent through an electronic marketplace, which sometimes provides insurance, dispute resolution, or other services, but is not involved in the physical exchange of the vehicle. A prospective renter reviews vehicle selections on the marketplace platform and chooses a vehicle. The rental platform facilitates the transaction between owner and renter, who then make arrangements for the renter to obtain the vehicle and keys and to return the vehicle after use. In many ways, this operates much like an “Airbnb” system, but for cars.

Currently, peer-to-peer vehicle companies operate in Virginia in an unregulated and untaxed environment. As such, over the course of the last year, stakeholders have been working to draft legislation and establish taxation, insurance coverage, sale of insurance, disclosure, safety recall, airport operation, and recordkeeping requirements for peer-to-peer vehicle sharing platforms.

VACo partnered with Enterprise, Hertz, the American Car Rental Association, as well as several other regional and local governmental associations, to introduce [SB 749 \(Cosgrove\)](#) and HB 891 and HB 892 (both carried by Delegate Mark Sickles), while the peer-to-peer rental industry introduced their own legislation, [SB 735 \(Newman\)](#) and [HB 1539 \(Jones\)](#). One of the main sticking points and differences between these two bills was the tax structure that was proposed, an issue that led to the defeat of HB 891 and HB 892 in House Finance (HB 1539 was rereferred to the House Appropriations Committee but not taken up). Ultimately, after two weeks of hearings and negotiations, a compromise was reached, and a new bill was crafted.

VACo partnered with Enterprise, Hertz, the American Car Rental Association, as well as several other regional and local governmental associations, to introduce [SB 749 \(Cosgrove\)](#), while the peer-to-peer rental industry introduced their own legislation, [SB 735 \(Newman\)](#). One of the main sticking points and differences between these two bills was the tax structure that was proposed. Ultimately, after two weeks of hearings and negotiations, a compromise was reached, and a new bill was crafted.

Under this new, compromise legislation, owners of more than 10 vehicles that use one of these peer-to-peer vehicle rental platforms will be taxed at the same rate as ordinary rental companies. Under the motor vehicle rental tax (MVRT) rate, rentals are taxed at a 10 percent composite rate (4 percent for localities). For

owners of 10 or fewer vehicles, however, a tax of 6.5 percent of gross proceeds shall be paid from July 1, 2020, until July 1, 2021. After July 1, 2021, this rate climbs to 7 percent of gross proceeds. This equates to a rate of 2.5 percent to be paid to localities in the first year, and 3 percent each year after.

VACo is grateful to have been a part of this coalition and was pleased to support the compromise legislation. SB 735, which incorporated this substitute language, will now be heard on the Senate floor.

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

## **Electric school bus legislation charges forward, school bus seat belt bill restrained**

On February 10, the constitutional reading of [SB 988 \(Lucas\)](#) was dispensed by the Senate. This bill authorizes Dominion Energy to implement projects to encourage the proliferation of electric school buses and charging infrastructure to reduce the use of traditional diesel school buses and help with electric grid stabilization. This follows an [announcement](#) from Dominion Energy and Governor Ralph Northam last August for implementation of Phase 1 of a plan to bring 50 electric school buses to 16 localities within Dominion's service area by the end of 2020.

This legislation would enable Phase 2 to proceed. This would expand the existing program to bring at least 1,000 additional electric school buses into operation by 2025, or approximately 10 percent of the total school bus fleet in Virginia. School divisions would be reimbursed for the purchase of the school buses and charging infrastructure. The electric school buses will serve as electric grid stabilizer by allowing the bus batteries to store and inject energy into the grid during periods of high demand when the buses are not being used for the transport of students. Dominion would be authorized to seek rate adjustments to cover the costs of implementing this program.

Dominion claims that the benefits to students and localities of using electric school buses include interior school bus air quality six times better than a traditional diesel-fueled bus, 60 percent reduced operation and maintenance costs to localities, and reduced greenhouse gas emissions. Buses purchased through this project will be equipped with lap-and-shoulder belt occupant restraint systems, consistent with [recommendations](#) from the National Transportation Safety Board. Though electric school buses and school buses equipped with shoulder restraints are generally more expensive to purchase than traditional school buses, Dominion has committed to offsetting the additional costs. Similar [legislation](#) is under consideration in the house.

VACo traditionally has expressed concern to perennial legislation that have mandated the purchase of school buses equipped with shoulder straps by local school divisions due to the unfunded mandate it would impose. [HB15 \(Krizek\)](#) would have required all new school bus purchases to include shoulder straps and the replacement of the existing school bus fleet by 2038, however the bill was left in the House Appropriations Committee.

Additional legislation seeks to address a related issue felt by communities across the Commonwealth, the difficulty of recruiting and retaining school bus drivers. Difficulty in this area leads to increased burdens on existing school division staff and longer ride times for students. [HB 351 \(Bell\)](#) / [SB 324 \(Deeds\)](#) require the Superintendent of Public Instruction to identify critical shortage areas of school bus drivers and report that information to the Virginia Retirement System and allows eligible retired drivers to return to work as school bus drivers and receive additional retirement benefits. This would be modeled on the [existing](#) K-12 critical shortage positions program.

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

## Virginia Food Access Investment Fund (VFAIF) advances



PHOTO CREDIT – [Andrew Lamar Twitter](#)

Legislation establishing the Virginia Food Access Investment Fund (VFAIF) has survived the halfway mark of the General Assembly and appears to have a clear path to success.

[HB 1509 \(McQuinn\)](#) and [SB 1073 \(McClellan\)](#) create the Virginia Food Access Investment Program and Fund, which will provide funding for the construction, rehabilitation, equipment upgrades, or expansion of grocery stores, small food retailers, and innovative food retail projects in underserved communities. The effort is a refreshed and revamped form of a bill Delegate Delores McQuinn has carried numerous times the past several years seeking to create the Virginia Grocery Investment Fund (VGIF). While the VGIF sought exclusively to provide funding for public-private partnerships that would aid in opening and expanding grocery stores in underserved communities (“food deserts”), the VFAIF has *two* components, one focusing on infrastructure and one focusing on nutrition efforts.

- Through a selected Community Development Financial Institution (CDFI), the VFAIF will provide funding for the construction, rehabilitation, equipment upgrades, and/or expansion of grocery stores, small food retailers, and innovative small food retail projects in underserved communities.
- On the nutrition incentive side, the Virginia Department of Agriculture and Consumer Services (VDACS) will partner with public and private sector partners to increase the number of Supplemental Nutrition Assistance Program (SNAP) retailers who participate in the Virginia Fresh Match Incentive Program. The Incentive Program provides SNAP recipients with a \$1 to \$1 match for nutritious fruits and vegetables.

VACo was proud to support and testify on behalf of these bills in subcommittee and committee hearings. SB 1073 unanimously passed the Senate on February 5 while HB 1509 passed the House on February 11. Each bill will now be heard by the other chamber where each should have similar success. Pending an appropriation in the 2021-2022 budget, the VFAIF seems poised to finally become law.

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

## Juvenile justice legislation continued to 2021

[HB 551 \(Ward\)](#) and [SB 1033 \(Locke\)](#) seek to encourage placement of youth involved in the juvenile justice system in small facilities that are close to home rather than relying on larger correctional facilities, an approach in keeping with recent work by the Department of Juvenile Justice to close Beaumont Correctional Center and reinvest the savings in establishing community-based

services across the state. The bills would require any juvenile correctional center built after July 1, 2020, to be designed to house no more than 30 children and be located within a locality in which at least 5 percent of juvenile commitments occur.

The legislation also provides that the Department of Juvenile Justice would be charged with placing youths in the juvenile community correctional center closest to their primary residences, which must be within one hour via car or within an hour and a half by public transportation. As introduced, the bills required that if such a placement were not available, the Department must use the alternative placement that was closest to the juvenile's primary residence, such as a local juvenile detention center. VACo and VML met with proponents of the bills to express concern that local juvenile detention centers would be considered a default placement option in these circumstances, even if they did not offer the most appropriate services to meet the youth's needs or were otherwise not suitable settings. The bills were amended to provide that the Department would use the most appropriate alternative placement, which would broaden the available options and allow the Department to consider the services offered in local programs when making placement decisions.

Broader issues of cost continued to surround both bills, with the Department suggesting in its fiscal impact review that it would be required to build six smaller facilities, rather than two 60-bed facilities (as currently planned by the agency), in order to comply with the legislation, with associated increases in capital and operating costs. SB 1033 was heard in Senate Rehabilitation and Social Services, reported, and rereferred to the Senate Finance and Appropriations Committee, where the bill was continued to 2021. HB 551 was reported from the House Public Safety Committee and rereferred to the House Appropriations Committee, from which the bill failed to emerge before the crossover deadline for action on legislation.

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

## **Local authority to regulate or prohibit delivery robots on sidewalks and streets maintained**

[SB 758 \(Marsden\)](#) as originally written made several changes related to electric personal delivery devices (aka delivery robots), including changing the weight limit of such devices from 50 to 200 pounds and allowing speeds of up to 10 miles per hour. As introduced the bill eliminated the ability of localities to regulate or prohibit the use of delivery robots on sidewalks, crosswalks, or roadways. VACo worked with the patron and proponents of the measure on changes to retain local authority to regulate where such devices would be permitted.



As such, the governing body of any County, City, or Town may by ordinance still prohibit the use of electronic delivery devices on designated sidewalks or crosswalks. Additionally, in areas where a sidewalk or crosswalk is not accessible or available, a locality may by ordinance adopt requirements designed to maintain safety for the deployment of such devices on the side of roadways. Furthermore, such devices are prohibited from delivering hazardous materials requiring placarding required by regulation under the federal Hazardous Materials Transportation Act.

VACo appreciates the willingness of the patron to work in good faith to find compromise addressing many of the concerns of local governments on this issue. The bill was reported from the Senate Transportation Committee, 15-0, and the constitutional reading was dispensed by the full Senate on February 10.

**VACo Contacts:** [Jeremy R. Bennett and Joe Lerch, AICP](#)

## **Legislation reviewing and revising Commonwealth's Attorney's staffing and funding levels continued to 2021 Legislative Session**

Senator Joe Morrissey and Delegate Marcus Simon introduced legislation this session that sought to review and drastically revise funding and staffing levels for Commonwealth's Attorneys. [SB 803 \(Morrissey\)](#) and [HB 1035 \(Simon\)](#) were sweeping in nature.

As introduced, the legislation would:

- Prohibit the Compensation Board, when determining staffing and funding levels for offices of attorneys for the Commonwealth, from (i) considering the number of charges brought or the number of convictions obtained by such attorney for the Commonwealth; (ii) relying on standards devised or recommended by the attorney for the Commonwealth, law-enforcement agencies, or professional associations representing attorneys for the Commonwealth or law-enforcement officers; or (iii) using measures that increase if an attorney for the Commonwealth (a) elects to prosecute a more serious charge, (b) elects to prosecute additional charges from a single arrest or criminal incident, (c) obtains convictions rather than dismissing charges or offering reduced charges, or (d) proceeds with prosecution rather than diversion.
- Require Attorneys for the Commonwealth to pay all fees collected by them in consideration of the performance of official duties or functions into the state treasury, instead of only half of such fees.

- Require the State Treasurer to pay to the treasuries of the respective Counties and Cities of the attorneys for the Commonwealth a proportion of half of all such fees collected by all attorneys for the Commonwealth, as determined by each county or city's crime rate, criminal incident rate, or arrest rate.
- Change the fees collected by attorneys for the Commonwealth on trials of felony indictments from \$40 on each count to \$120 for each trial of a Class 1 or Class 2 felony indictment, or other felony that carries a possible penalty of life in prison, except robbery, and \$40 for each trial on robbery and all other felony indictments regardless of the number of counts.

Given the sweeping and complex nature of the bill and subject matter, Senator Joe Morrissey and Delegate Marcus Simon agreed to continue SB 803 and HB 1035 to the 2021 legislative session and study the issue over the course of the next year.

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

## Central Virginia Authority legislation accelerates regional approach to transportation

[HB 1541 \(McQuinn\)](#) creates the Central Virginia Transportation Authority, composed of the Counties and Cities located in Planning District 15 (Goochland, Powhatan, Chesterfield/Colonial Heights, Henrico, Hanover, New Kent, Charles City, Richmond City). The authority will administer transportation funding generated through the imposition of an additional regional 0.7 percent sales and use tax and 2.1 percent wholesale gas tax. The 35 percent of funds retained by the Authority are to be used for transportation-related purposes benefiting the member localities, 15 percent shall be distributed to the Greater Richmond Transit Company (GRTC) for transit and mobility services, and 50 percent will be returned proportionately to the each member locality to improve local mobility. This authority follows similar authorities created in Northern Virginia and Hampton Roads. VACo spoke in support of this bill at the request of member Counties. The bill passed the House 66-32.

According to a report of the Senate Finance and Appropriations Committee's Transportation Subcommittee, regional motor fuels taxes of 2.1 percent are currently imposed in Northern Virginia, Hampton Roads, and the I-81 corridor for dedicated transportation purposes in each region. This encompasses localities in eight of the 23 planning districts encompassing districts 3, 4, 5, 6, 7, 8, 9, and 23. Approximately 5.7 million Virginians live in these areas and revenues from these existing motor fuels taxes are assumed to generate \$224 million in FY 2021.

In the Senate, [SB 452 \(Edwards\)](#) would impose an additional 7.6 cent per gallon wholesale gas tax and a diesel gas tax of 7.7 cents per gallon beginning on July 1, 2021, to any county or city outside of the existing regions where such a tax is currently imposed. The revenues from such taxes would be returned to the transportation district in which the revenues are generated via the construction district grant program. The bill originally was drafted to impose a 2.1 percent fuels tax similar to Northern Virginia, Hampton Roads, and the I-81 corridor. Finance Committee staff estimated that this would impact 3.3 million Virginians and yield approximately \$120 million in transportation revenues.

It remains unclear how SB452 bill would impact the proposed regional revenue generating mechanisms proposed by HB1541 if both are enacted into law. Omnibus transportation [legislation](#) with state-wide impact proposed by the Northam Administration continues to make its way through the General Assembly and evolve. However, HB1541 and SB452 highlight a growing trend of regional funding sources being dedicated to regional transportation projects.

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

## **“Forever Chemical” bills pass the House, head to the Senate**

Two bills seeking to study and address certain chemical contaminants in Virginia’s drinking water have now passed the House of Delegates and will be heard by the Senate. Both bills attempt to focus on the growing concern over the threats of PFAS chemicals, which is the colloquial term for per- and polyfluoroalkyl substances. These substances, also nicknamed “forever chemicals,” have earned more attention lately, as there is growing concern over their links to various medical ailments.

[HB 586 \(Guzman\)](#) directs the Commissioner of Health to convene a work group to study the occurrence of perfluorooctanoic acid (PFOA), perfluorooctane sulfonate (PFOS), and other perfluoroalkyl and polyfluoroalkyl substances (PFAS) in the Commonwealth’s public drinking water and to develop recommendations for specific maximum contaminant levels for PFOA, PFOS, and other PFAS for inclusion in regulations of the Board of Health applicable to waterworks. VACo supports HB 586.

The second bill, [HB 1257 \(Rasoul\)](#), directs the State Board of Health to, as deemed necessary by the study initiated by HB 586, adopt regulations establishing maximum contaminant levels in public drinking water systems for (i) PFOS, PFOA, and other PFAS compounds deemed necessary; (ii) chromium-6; and (iii) 1,4-dioxane.

For more information on these bills, please see the [previous writeup](#) in Capitol Contact.

Both HB 586 and HB 1257 have been referred to the [Senate Education and Health Committee](#).

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

## Right-to-Work bills terminated

[HB 153 \(Carter\)](#) would have repealed the sections of the Code of Virginia prohibiting agreements between an employer and labor organization from requiring non-union employees to join a labor organization as a condition of employment. Known colloquially as “right-to-work,” [27](#) states including Virginia currently allow worker choice regarding union membership by prohibiting or limiting such agreements. According to concerns raised by the Virginia Economic Development Partnership (VEDP) in state’s fiscal impact [statement](#) for the bill, passage of the bill would have resulted in a loss of economic development projects and general fund revenues to the Commonwealth. The bill reported from the House Labor and Commerce Committee, 12-9, on February 6 but was left in the House Appropriations Committee.

In the Senate, [SB 426 \(Saslaw\)](#) would have authorized an employer to require employees as a condition of employment to pay a “fair share fee” to a labor organization engaged in collective bargaining with the employer. VEDP raised similar concerns in the state’s fiscal impact statement as they did in HB 153. The Senate Commerce and Labor Committee passed the bill by indefinitely, 12-3, but also established a special subcommittee to examine the issue further.

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

## House approves new reporting requirements for discharges of deleterious substances

The House of Delegates has approved new requirements for reporting discharges of deleterious substances into state waters.

[HB 1205 \(Tran\)](#) requires that the Department of Environmental Quality (DEQ) shall provide to the Virginia Department of Health (VDH) and local newspapers, television stations, and radio stations, and shall report via official social media accounts and email notification lists, any information pertaining to the discharge of deleterious substances (chemicals, oils, sewage, etc.) into state waters, unless

the DEQ determines that the discharge will have a de minimis impact. Current law only requires that the DEQ provide this information to the local newspapers.

As originally introduced, HB 1205 was troubling and earned opposition from VACo and others, as it narrowed the reporting window from 24 hours to 8 hours. Due to concerns over the feasibility of such reporting, however, this was later amended first to 12 hours and then again back to 24 hours.

As amended, HB 1205 passed out of the House Committee on Agriculture, Chesapeake and Natural Resources by a vote of 14-8 and passed the full House of Delegates by a vote of 59-37. The Bill has now been referred to the Senate Committee on Agriculture, Conservation and Natural Resources where it will be heard in the coming weeks.

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

## Stormwater fee exemption bill dries up, stricken for the year

A troubling stormwater bill that has been defeated numerous times in previous years has once again been killed in the General Assembly. [SB 1067 \(Kiggans\)](#) requires that localities shall provide for full waivers of certain stormwater charges for public use airport runways and taxiways.

As with similar bills in recent years, VACo opposed SB 1067 for several reasons.

- Such an exemption will have a severe fiscal impact on a locality. Given their nature and their sheer size, airports are large contributors to water pollutants, and thus if they are exempted from their stormwater fees, those costs will be shifting to other ratepayers who in turn will have to pay a larger share.
- Legislation like this will only serve to open the door for other special interests seeking exemptions from stormwater fees. In fact, for this reason, the General Assembly has rejected this very bill before as well as similar bills seeking exemptions for churches and railroads.

SB 1067 was stricken from the docket at the outset of the February 4 meeting of the Senate Agriculture, Conservation and Natural Resources Committee. VACo expects that airport representatives will continue to pursue this over the next several months and will likely bring similar legislation in the future.

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

## Troubling animal shelter bills fixed

Three problematic and potentially expensive bills pertaining to animal shelter practices and policies have been effectively fixed for the year.

[SB 304 \(Stanley\)](#) requires any public or private animal shelter or releasing agency to report on an annual basis the euthanasia rate for animals at such shelter or agency to the State Veterinarian. As originally introduced, the bill sought to require the State Veterinarian to notify the Board of Pharmacy of any such shelter that has a euthanasia rate greater than 50 percent and prohibit the Board of Pharmacy from registering any such shelter to purchase, possess, or administer certain euthanasia drugs. VACo initially opposed this legislation, however Senator Bill Stanley ultimately agreed to strip the possible penalties and instead introduced a substitute that solely requires shelters to report data on the number of acts of euthanasia performed and the reasons why. As amended, SB 304 reported out of the Senate Agriculture, Conservation and Natural Resources Committee unanimously.

[SB 310 \(Stanley\)](#) requires a public animal shelter to wait three days before euthanizing a dog or cat when a person has notified the shelter of his intent to adopt or take custody of the animal. The shelter must make reasonable efforts to accomplish the release of the animal but is not required to hold the animal if it has reason to believe that the animal has seriously injured a human or the animal meets certain other specified conditions for euthanasia. VACo and several other stakeholders opposed the bill as introduced due to its high fiscal impact on localities. Recognizing these concerns, however, Senator Stanley agreed to strip the three-day requirement from the legislation and instead offered a substitute bill that simply requires each public animal shelter to adopt a policy that provides that when notice has been given to the shelter of the intent of a releasing agency to adopt or take custody of an animal, the animal shall not be euthanized and shall be kept for a certain number of days. With this substitute language, SB 310 reported out of the Senate Agriculture, Conservation and Natural Resources Committee unanimously.

Finally, [HB 1279 \(O'Quinn\)](#) sought to increase from five to 10 the number of days an animal confined by a public or private animal shelter or releasing agency shall be kept prior to disposal of the animal unless claimed by the rightful owner. The bill also increases from five to 10 the number of additional days such animal shall be held if the owner or custodian of the shelter determines that the animal has a collar, tag, license, tattoo, or other form of identification. Due to the fiscal impact this legislation would have had on localities, VACo opposed HB 1279. Ultimately, the House Agriculture, Chesapeake and Natural Resources Committee decided to lay the bill on the table and will not consider it again.

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

## Drug court legislation continued to 2021

Legislation seeking to expand the use of drug treatment courts (or simply drug courts, for short) has been continued to 2021 at the request of the patron.

[SB 819 \(Morrissey\)](#) had two key provisions. First, it provided that any jurisdiction or jurisdictions intending or proposing to establish a drug treatment court shall not be denied permission under the Code of Virginia to establish such court solely on the basis of funding such court. Second, it provided that a drug treatment court shall be made available to every defendant, regardless of jurisdiction.

VACo spoke with the patron's office numerous times to express concerns about 1) how this would logistically work and 2) the fiscal impact of this idea. Currently, there are 366 trial level courts in Virginia (circuit courts, general district courts, and juvenile and domestic relations district courts), but there are only 53 existing drug treatment courts. Beyond there only being 53 drug courts, the services – and funding – to which these drug courts have access to are highly localized. To suddenly open these 53 specialty courts to persons in all jurisdictions and courts would create enormous technical, logistical, and financial burdens. Alternatively, to seek to open additional drug courts for each of these jurisdictions would cost nearly \$80 million, according to estimates from the Office of the Executive Secretary of the Supreme Court (OES) and Department of Corrections (DOC).

Ultimately, Senator Joe Morrissey agreed to hit pause on this legislation, deciding to carry it over to 2021.

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

## Helpful clean energy financing bill receives green light from House

The House of Delegates has advanced a bill that could help localities more easily take advantage of creative clean energy financing mechanisms.

[HB 654 \(Mugler\)](#) authorizes the Department of Mines, Minerals and Energy (DMME) to sponsor a statewide clean energy financing program. More specifically, this legislation would enable DMME to engage with a private entity in order to develop and administer a statewide commercial Property Assessed Clean Energy (PACE) program.

PACE is an innovative financing mechanism that enables low-cost and long-term funding for energy efficiency, renewable energy, and water conservation projects. The appeal of PACE is that it can cover up to 100 percent of a project's

upfront hard and soft costs, and then can be repaid on the property tax bill over a period of up to 30 years, enabling longer payback periods that can be cash flow positive from day one.

PACE financing is repaid as an assessment on the property's regular tax bill and is processed the same way as other local public benefit assessments (such as sidewalks or sewers).

VACo supports HB 654, which passed the House, 75-23. The bill will now be heard by the [Senate Local Government Committee](#), where VACo will speak in favor of the legislation.

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

## Bills threatening sovereign immunity for localities defeated

Three bills seeking waivers of sovereign immunity for localities have been defeated for the year.

[HB 162 \(McGuire\)](#), [HB 1382 \(Campbell\)](#), and [SB 1009 \(Chase\)](#) sought to waive sovereign immunity for any locality that adopts an ordinance or policy pertaining to limitations on firearms. Both HB 162 and HB 1382 were heard by the Firearms Subcommittee of the House Public Safety Committee, where they were each laid on the table by a 6-2 vote. SB 1009 was heard by the Senate Judiciary Committee, where it was passed by indefinitely by a 9-5 vote.

VACo opposed these bills as it opposes any bills seeking to limit or waive sovereign immunity for local governments.

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

## Key Dates for 2020 General Assembly Session

The House and Senate adopted the procedural resolution governing the schedule for the 2020 General Assembly session on January 10, 2020. Key dates for the 2020 Session are as follows:

- **January 8:** General Assembly convened at noon. Bills that were “prefiled” were due to be submitted by 10 a.m. Bills affecting the Virginia Retirement System or creating or continuing a study were required to be filed before adjournment of their respective chambers of introduction.



- **January 10:** Deadline for submission of budget amendments by 5 p.m.
- **January 17:** Deadline for remaining bills to be filed at 3 p.m. (there are some exceptions, such as when legislation is granted unanimous consent to be introduced after the deadline).
- **February 11:** “Crossover” deadline for each chamber to complete work on legislation originating in that chamber (except for the budget bill)
- **February 16:** House Appropriations and Senate Finance and Appropriations Committees report their respective budgets by midnight.
- **February 20:** Deadline for each chamber to complete work on its budget.
- **February 26:** 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.
- **March 2:** Deadline for committee action on bills at midnight.
- **March 7:** Scheduled adjournment *sine die*.
- **April 22:** Reconvened session to consider gubernatorial amendments and vetoes.

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