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VIA ELECTRONIC MAIL

August 27, 2020

The Honorable Luke E. Torian, Chair
House Appropriations Committee
P.O. Box 406
Richmond, Virginia 23218

The Honorable Janet D. Howell, Chair
Senate Finance and Appropriations Committee
P.O. Box 396
Richmond, VA 23218

Dear Chair Torian and Chair Howell:

I write to you on behalf of the Virginia Association of Counties (VACo) to express our appreciation for your partnership with local governments during the special session of the General Assembly. We wanted to share some thoughts on member budget amendments relevant to local governments under consideration by the House Appropriations committee.

VACo is supportive of the following amendments introduced by members of the House of Delegates:

- **[Item 145 #6h \(Hayes\) – Sales Tax Hold Harmless](#)**: This amendment provides \$95.2 million GF in FY 2021 to hold school divisions' harmless from sales tax reforecast reduction. The impact of this funding loss on each division varies considerably because it is distributed based on school age population estimates, but every division in the state would experience a resulting budget cut in its current year funding. This is of particular concern since divisions have already included these revenues in their adopted budgets for the current year. Restoration of funds would help maintain K-12 services without further stressing county government budgets already struggling to meet the challenges of COVID-19's impacts on revenue and delivery of services.
- **[Item 273 #1h \(McQuinn\) – Adjust Language Regarding Recordation Tax Distribution](#)**: This amendment replaces \$20 million distribution that was redirected to Hampton Roads Regional Transit with any additional transportation-dedicated recordation tax revenues and a one-time use of the general fund. These funds were previously distributed to localities since 1993 and are used for transportation or public education purposes. This amendment would not impact recordation tax revenues dedicated to the Northern Virginia Transportation District or Hampton Roads Regional Transit.
- **[Item 114 #1h \(Sickles\) – Prioritization of VATI Program for Telehealth and Online Learning \(language only\)](#)**: VACo supports legislation that provides

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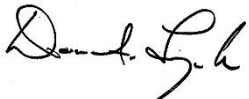
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additional tools for counties to finance, build and operate open access networks. This amendment adds language to the Virginia Telecommunications Initiative requiring the Department of Housing and Community Development to prioritize broadband infrastructure projects that will address internet access for the purposes of telehealth and online learning. The language exempts telehealth or online learning focused projects from a requirement that the private sector partner contribute to the costs of the project.

- **Item 145 #4h (Sullivan) – Authorize Localities and School Boards to provide Broadband (language only):** VACo supports legislation that provides in additional tools for counties to finance, build and operate open access networks. This amendment allows during periods of declared state or local emergencies, or during a period in which a locality's school board has adopted a policy of mandatory remote schooling, that localities and school boards may provide free or reduced rate broadband internet services to households with school-aged children.
- **Item 479.10 #8h (Bulova) – Child Care Stabilization (language only):** This amendment provides \$80 million from the federal Coronavirus Relief Fund generated to establish a grant program to support communities and regional partnerships formed to meet child care needs while many school facilities and child care centers are closed during the COVID-19 emergency. Access to safe and affordable childcare is an essential component to allowing local businesses to resume operations and county economies to recover.
- **Item 482.20 #7h (Fariss)/Item 482.20 #12h (Gilbert) – Restoration of HB 599 funding:** These amendments would restore \$8.6 million GF per year in Aid to Localities with Police Departments (“HB 599” funding). There are a number of proposals under consideration during the special session to enhance training and other requirements for law enforcement officers, and it is important that the state provide resources to assist localities in meeting any new standards or other requirements that are adopted. HB 599 is a longstanding vehicle by which such assistance has been provided and we would encourage the restoration of these dollars.

Thank you for your consideration of these comments. We look forward to continuing to work with you on legislation and budget language to improve the ability of local governments to effectively respond to COVID-19 and criminal justice reform.

Respectfully,



Dean A. Lynch, CAE
Executive Director
Virginia Association of Counties

cc: Members, House Appropriations Committee
Members, Senate Finance and Appropriations Committee
Members, VACo Board of Directors