

Capitol Contact

Virginia General Assembly

Virginia Association of Counties • 1207 E. Main Street, Suite 300 • Richmond, VA 23219
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Tuesday, February 1, 2022

Problematic Bills Fail to Move Forward

[SB 620 \(Cosgrove\)](#), which would impose new restrictions on the local budget process, was passed by indefinitely in the Senate Finance and Appropriations Committee this morning. The original bill would have required a referendum to be held if real estate tax revenues were projected to increase by more than 101 percent over the previous year's collections; the substitute proposal considered by the committee would have required a supermajority vote of two-thirds of the governing body if real property tax revenues would increase by 105 percent over the previous year's and the tax rate was not reduced accordingly. A referendum would be required for increases beyond that level. A companion House measure has not yet been heard in House Finance.

[HB 380 \(Freitas\)](#), which would have eliminated BPOL, was tabled in a subcommittee of House Finance yesterday afternoon. [HB 75 \(Ware\)](#), which would have imposed restrictions on the authority to impose transient occupancy taxes and meals taxes that was granted to counties in 2020, was also tabled in House Finance subcommittee #2.

VACo spoke in opposition to both measures.

VACo is appreciative of members' advocacy in working to defeat these problematic bills.

VACo Contact: [Katie Boyle](#)

Recordation Tax Restoration Bills Falter in Senate Finance and Appropriations

On February 1, VACo spoke in support of [SB 363 \(Stuart\)](#) and [SB 512 \(Suetterlein\)](#), which would have reestablished the distribution of \$20 million of state recordation tax revenue to counties and cities to be used for transportation or public education purposes. Legislation (HB 1726/SB 1038 and HB 1414/SB 890) enacted by the 2020 General Assembly included changes to the distribution of state recordation tax revenues to cities and counties which effectively eliminated \$20 million in existing recordation tax revenues distributed to cities and counties. These revenues were instead redirected to support Hampton Roads Regional Transit. This funding was distributed quarterly and could be used by counties and cities for either transportation or public education (K-12) purposes. Prior to the 2020 General Assembly session, a portion of recordation tax revenues had been distributed to localities since 1993 and localities had direct control over the transportation and education use of these funds.

VACo supported a solution whereby these funds could be restored to localities while also holding Hampton Roads Transit harmless, as was the case with several member budget amendments during the 2021 session. The House version of the bill, [HB 978 \(Durant\)](#), has an accompanying budget [amendment](#) also supported by VACo that would do just that. Senator Suetterlein and Senator Stuart also had placeholder budget amendments. The Senate Finance and Appropriations Committee voted to incorporate SB 512 into SB 363 and passed the bill by indefinitely on a vote of 12-4. HB 978 has been referred to the [House Finance Committee](#) but not yet assigned to a docket.

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

Helpful Budget Amendments Introduced

In addition to the requests made by VACo, VML, and partner organizations that were discussed in the [January 21 edition of County Connections](#), a number of helpful budget amendments have been introduced that address county priorities.

VACo appreciates the work of legislators in introducing these proposals and encourages members to contact their legislators, especially those legislators who serve on the [House Appropriations Committee](#) and the [Senate Finance and Appropriations Committee](#), to support items of particular interest.

Constitutional officers

[Item 75 #1h \(Bulova\)/Item 75 #1s \(Norment\)/Item 75 #2s \(Petersen\)](#) provides \$1.4 million GF in FY 2023 and \$2.5 million GF in FY 2024 to restore state

support for 154 Compensation Board allocated positions in offices of Commissioners of the Revenue that were previously de-funded due to previous budget reductions. This funding will support the restoration of 65 percent of unfunded positions in FY 2023 and 100 percent of unfunded positions in FY 2024.

[Item 78 #1h \(Brewer\)](#)/[Item 78 #1s \(Lucas\)](#) provides \$165,667 GF in FY 2023 and \$180,728 GF in FY 2024 to fully restore underfunded Treasurer positions.

[Item 78 #2s \(Lucas\)](#) provides \$744,176 GF in FY 2023 and \$1.6 million GF in FY 2024 to restore 226 unfunded deputy treasurer positions in treasurers' offices, the state share of which has not been fully funded since 2002.

Elections

[Item 89 #5h \(Webert\)](#) would provide \$500,000 GF per year to reimburse localities for the costs of providing prepaid postage for the return of absentee ballots.

[Item 89 #10h \(Kilgore\)](#) would provide \$2.2 million GF in FY 2023 for the state to provide notice to all registered voters regarding changes to elections districts as a result of redistricting. Due to the renumbering of House and Senate districts, all voters will need to receive this notice, and if the state does not assume this responsibility, localities will be responsible for these mailing costs.

Agriculture

[Item 98 #9h \(McQuinn\)](#)/[Item 98 #2s \(McClellan\)](#) would provide \$1 million GF per year for the Virginia Food Access Investment Program, which provides loans or grants to assist grocers, farmers markets, and other retailers in high-need areas to expand or commence the operations of their facilities.

Commerce and Trade

[Item 115 #5s \(Edwards\)](#) is a language amendment directing the Department of Housing and Community Development to give priority to Virginia Telecommunication Initiative proposals from public broadband authorities for department awards in connection with the American Rescue Plan Act (ARPA, to use criteria consistent with ARPA and associated U.S. Treasury guidance, and not to require private sector participation in these proposals.

Education

[Item 137 #6h \(Bourne\)](#)/[Item 137 #12h \(Kory\)](#)/[Item 137 #21h \(Reid\)](#)/[Item 137 #9s \(Barker\)](#)/[Item 137 #15s \(McClellan\)](#) provides \$419.2 million GF in FY 2023 and \$430.5 million GF in FY 2024 to eliminate the cap on recognition of support positions in the Standards of Quality.

[Item 137 #2h \(Reid\)](#)/[Item 137 #10s \(Bell\)](#) would provide \$50 million GF in FY 2023 and \$52.5 million GF in FY 2024 to increase the Cost of Competing Adjustment (COCA) for support positions in the school divisions in Planning District 8 (from 18 to 39 percent), and for certain adjacent divisions specified in the Appropriation Act (from 4.5 to 9.75 percent). [Item 137 #4h \(Delaney\)](#)/[Item 137 #11s \(Marsden\)](#) would provide \$15.6 million GF in FY 2023 and \$16.6 million GF in FY 2024 to restore the historic Cost of Competing Adjustment (COCA) rate for support positions in the school divisions in Planning District 8 (from 18 to 24.61 percent) for the adjacent school divisions (from 4.5 to 6.16 percent).

[Item 240 #2h \(Carr\)](#) would provide \$2.5 million GF per year in aid to local public libraries. [Item 240 #1s \(Locke\)](#) and [Item 240 #2s \(Norment\)](#) would provide the \$2.5 million GF per year and also state that it is the objective of the Commonwealth to fully fund the state formula for state aid to local public libraries, with the FY 2023 and FY 2024 funding representing the first two years of a four-year phase-in of full funding, with the goal of completing the phase-in in FY 2026.

Finance

[Item 277 #1s \(Stuart\)](#) would provide \$1 million GF per year in state funding to subsidize local real estate tax relief for disabled veterans and surviving spouses of servicemembers killed in action when more than one percent of a locality's tax base is exempt pursuant to these mandatory exemptions.

Health and Human Resources

[Item 313 #1h \(Sickles\)](#)/[Item 313 #1s \(Hanger\)](#)/[Item 313 #4s \(Deeds\)](#) provides \$167.5 million GF per year for workforce development initiatives for Community Services Boards.

[Item 313 #2h \(Sickles\)](#)/[Item 313 #2s \(Barker\)](#) provides \$2.9 million GF each year in additional funding for Part C Early Intervention services.

[Item 313 #3h \(Coyner\)](#) expands the eligibility of the existing \$3.7 million annual appropriation for discharge planning at jails for individuals with serious mental illness to also include emergency client assistance resources, and expands the number of jails eligible to receive the funds. Current budget language limits receipt of the funds to five jails. [Item 313 #3s \(Deeds\)](#) similarly expands the number of jails eligible to receive the funds.

[Item 313 #5s \(Favola\)](#) provides \$9.3 million GF each year to implement the mental health awareness response and community understanding services (MARCUS) alert system programs and community care teams for CSBs located in Region 2.

[Item 313 #7s \(Ebbin\)](#) would provide \$11 million GF in FY 2024 to expand Crisis Intervention Team Assessment Centers or Crisis Stabilization Units into crisis receiving centers. [Item 486 #23s \(Ebbin\)](#) is intended to provide an additional \$11 million in ARPA funding for this purpose in FY 2023.

[Item 345 #3s \(Mason\)](#) would provide \$180,000 GF/\$60,000 NGF in FY 2023 and \$360,000 GF/\$120,000 NGF in FY 2024 to add slots to the Child Welfare Stipend Program, which assists local departments of social services in recruiting and retaining staff.

Public Safety

[Item 404 #10h \(Wachsmann\)](#) would remove current budget language which exempts the Department of Corrections from the payment of service charges levied in lieu of taxes by local governments and would provide \$1.4 million GF each year to fund these service charges.

[Item 404 #22h \(Runion\)](#) provides \$5 million GF per year for the Department of Corrections to reimburse local and regional jails for the costs of incarcerating state-responsible inmates; this amendment is a placeholder for related legislation that would provide for compensation at a rate of \$12 per inmate per day for the first 60 days, at the rate of \$40 per inmate per day during the period of more than 60 but not more than 90 days, and for the actual cost of incarceration as calculated in the jail report prepared annually by the Compensation Board for more than 90 days.

VACo Contact: [Katie Boyle](#)

Key Dates for the 2022 General Assembly

As part of its organizational work on the first day of the 2022 session, the General Assembly adopted a procedural resolution on January 12 that sets out important dates and deadlines for the 2022 legislative session.

Key dates for the 2022 Session

- **January 12:** General Assembly convened at noon. Bills that were “prefiled” were due to be submitted by 10 a.m. All bills and regulations affecting the Virginia Retirement System or creating or continuing a study were required to be filed before adjournment. Governor Northam delivered the State of the Commonwealth address at 7 p.m.

- **January 14:** Deadline for submission of budget amendments
- **January 15:** Joint Assembly for inaugural ceremonies
- **January 17:** Joint Assembly for address by Governor Youngkin
- **January 21:** Deadline for all bills or joint resolutions to be filed by 3 p.m. (with some exceptions, such as legislation introduced at the request of the Governor or legislation allowed to be introduced after deadlines by unanimous consent)
- **February 15:** “Crossover” deadline for each chamber to complete work on legislation originating in that chamber (except for the budget bill)
- **February 20:** Money committees report budgets by midnight
- **February 22:** Money committee budget proposals available by noon
- **February 24:** Houses of introduction must complete work on budget
- **March 2:** Deadline for each chamber to complete work on other chamber’s budget proposal and revenue bills and appoint conferees
- **March 7:** Deadline for committee action on legislation by midnight
- **March 12:** Scheduled adjournment *sine die*
- **April 27:** Reconvened session for consideration of Governor’s amendments and vetoes

VACo Contact: [Katie Boyle](#)

Advocate for your locality at the VACo Local Government Day

In Partnership with VML, VAPDC and the Virginia Rural Center

Thursday, February 3, 2022 | [Omni Richmond Hotel](#) | [REGISTRATION FORM](#) | [REGISTER ONLINE](#)

Local Government Day

It's a day for all of us. Counties. Cities. Towns. Planning Districts. It's a day for us to learn how the decisions being made by the General Assembly might affect us. And it's a day to make our voices heard. Attend Local Government Day. Then visit the Capitol to meet with your legislators and observe committee meetings. Later join us for a reception.

Registration Fee

\$100 Day Briefing only (Noon – 2pm)

\$100 Reception only (530pm)

\$150 for both | \$175 late registration

Agenda

- Welcome, Introductions, and Lunch
- Governor-Elect Glenn Youngkin (Invited)
- Team Legislative Reports
- Visit Capitol to speak with Legislators
- Legislative Reception

For information on how to reach your representatives, see the [Virginia House of Delegates](#) and the [Senate of Virginia](#) member websites. Find information about VACo's positions in the [2022 Legislative Program](#). We will distribute the Local Government Day Bulletin before the event.

Be a part of the legislative process at the 2022 General Assembly Session.

Register for the event at [VACo Local Government Day Online](#) or fax the [Registration Form](#) to 804.788.0083.

Hotel Reservation Details

Lodging costs are not covered in the registration fee. Local Government Day is held at the Omni Richmond Hotel, 100 South 12th Street, Richmond, VA 23219. Room rates start at \$162 (single room occupancy). To reserve a hotel room, call 804.344.7000 by January 24, 2022, with this code: **Government Legislative Day 2022 Group** or reserve a room at this [Omni Richmond Hotel link](#).

VACo Contact: [Valerie Russell](#)