

VACo General Government Steering Committee

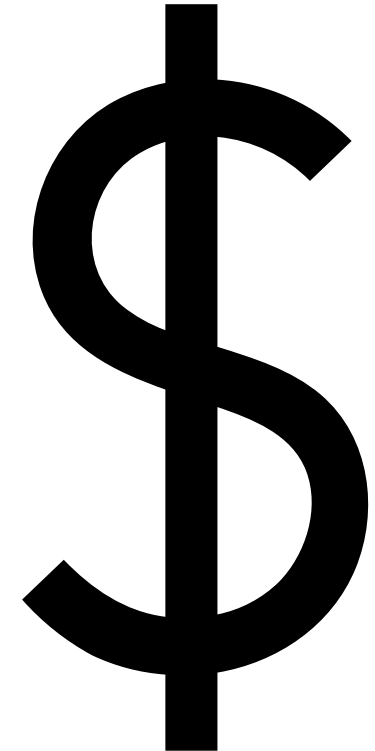
August 17, 2023

2023 General Assembly Session Review of Relevant Issues



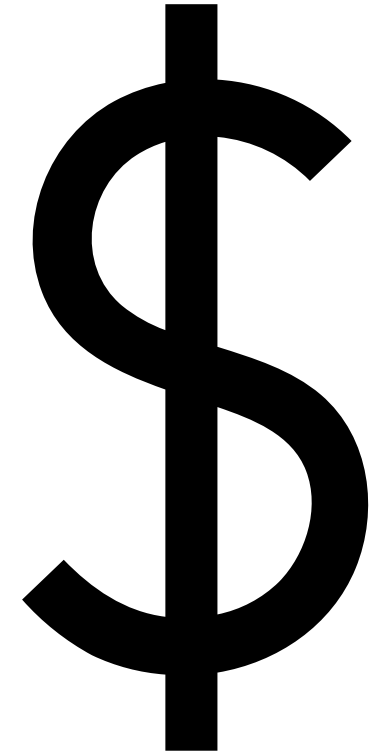
Key Provisions of the Updated 2022-2024 Biennial Budget

- Budget conferees were unable to agree on a full array of revisions to the biennium budget in time for the scheduled adjournment of the 2023 regular session. As a stopgap measure, the General Assembly passed a “skinny budget” on February 25, which included four revisions to the 2022 Appropriation Act (the biennium budget adopted in June 2022) dealing with several priority, time-sensitive items. Governor Youngkin subsequently proposed four additional amendments, which were adopted by the legislature at the April 12 reconvened session.
- Budget conferees continue to send proposals and counter proposals to each other.
- Appropriation of the \$250 million deposit to the Virginia Retirement System that was included in the budget adopted in June 2022 as a contingent appropriation to address unfunded liabilities. An estimated \$147.5 million would be provided to the teacher retirement plan out of this funding
 - Cash infusions by the General Assembly (\$750 million in FY22 and \$250 million in FY 23) have resulted in an estimated \$2 billion in savings over the next 20 years. Additionally, maintaining employer contribution rates has yielded \$548 million in savings. Both investments will ultimately benefit state and local government employers by expediting the amortization of the Fund. Thus, while funded status improved, legacy unfunded liabilities still remain, including a funded status of 78.9% for the Teachers Plan and 88.8% for political subdivisions. As this is a rate setting year, VACo will report on proposed changes to the employer contribution rates when the VRS Board meets to discuss those items in the Fall.



Key Provisions of the Proposed Changes to 2022-2024 Biennial Budget from the House and Senate

- **Judiciary/Public Safety – HB 599**
 - **Senate:** Provides \$2.1 million in FY 2024 in additional HB 599 funding for localities with police departments. VACO and partner organizations requested additional funding for this program. ([Item 410 #3s](#))
- **Judiciary/Public Safety – Fire Services Funding**
 - **House:** Provides \$125,000 GF in FY 2024 for consultant costs for a review of the adequacy and sustainability of fire services funding in the Commonwealth, pursuant to legislation under consideration this session. ([Item 392 #1h](#))
- **Labor – Unemployment Insurance Trust Fund**
 - **House:** Eliminates proposed \$100 million deposit to the Unemployment Insurance Trust Fund in FY 2023 that was included in the introduced budget. ([Item 370 #1h](#))
 - **Senate:** Reduces proposed \$100 million deposit to the Unemployment Insurance Trust Fund by \$60 million. ([Item 370 #1s](#))
- **Virginia Retirement System**
 - **House:** Provides \$750,000 GF in FY 2024 in accordance with legislation that has passed the House that would provide a cost-of-living adjustment for the monthly retiree health care credit benefit for constitutional officers and their employees who retire with at least 30 years of service. ([Item 483 #3h](#))
 - **House:** Includes \$20 million GF in FY 2024 to increase the lump sum payments to VRS for the retiree health care credit (from \$55.1 million to \$75.1 million). ([Item 483 #4h](#))
 - **Senate:** Contingent on FY 2023 revenues, would provide \$250 million from unobligated FY 2023 balances for a lump sum deposit to address the unfunded liability for the statewide plans. ([Item 485 #1s](#))



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Administration of Government

- **SB 1459 Administration of state government; prohibited applications and websites.**
 - Prohibits any employee or agent of any public body or person or entity contracting with any such public body from downloading or using any application, including TikTok or WeChat, or accessing any website developed by ByteDance Ltd. or Tencent Holdings Ltd. (i) on any government issued device or government-owned or government-leased equipment, including mobile phones, desktop computers, laptop computers, tablets, or other devices capable of connecting to the Internet, or (ii) while connected to any wired or wireless Internet network owned, operated, or maintained by the Commonwealth.
- **SB 1495 Local enforcement action; willful disregard for applicable law, damages.**
 - Provides that any person against whom an enforcement action is carried out by a locality, of any ordinance or regulation, where the enforcement action was based upon a willful disregard for applicable law, regulation, or ordinance, shall be entitled to an award of compensatory damages and to an order remanding the matter to the locality and may further be entitled to reasonable attorney fees and court costs.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

FOIA

- **HB 2006 Virginia Freedom of Information Act; public records charges, electronic payment method.**
 - Provides that any local public body that charges for the production of public records pursuant to the Virginia Freedom of Information Act may provide an electronic method of payment through which all payments for the production of such records to such locality may be made.
- **HB 2007 Virginia Freedom of Information Act; posting of fee policy by a public body.**
 - Requires a public body to make available upon request and post on its website or otherwise publish a written policy (i) explaining how the public body assesses charges for accessing or searching for requested records and (ii) noting the current fee charged, if any, by the public body for accessing and searching for the requested records.
- **HB 2161/SB 1151 Local government; standardization of public notice requirements for certain intended actions.**
 - Standardizes the frequency and length of time that notices of certain meetings, hearings, and other intended actions of localities must be published in newspapers and other print media, among other provisions. The bill directs the Virginia Code Commission to convene a work group to continue review of the notice requirements throughout the Code of Virginia and requires the Virginia Code Commission to submit a report to the Chairmen of the House Committee on General Laws and the Senate Committee on General Laws and Technology summarizing the work and any recommendations of the work group by November 1, 2023.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Labor / Employment

- **SB 1107 Virginia Retirement System; return to work.**
 - Reduces from 12 to six the number of months for the required break in service for a teacher, bus driver, school administrator, or school security officer to return to work full time and continue to receive his pension under the Virginia Retirement System (VRS). The bill adds specialized student support positions to the list of employees that may return to work, with a six-month break in service. The employer of such individuals shall include such employees' compensation in membership payroll for purposes of the employer contribution to VRS. The bill has a delayed effective date of January 1, 2024. The bill has an expiration date of July 1, 2028, for the reduction of the required break in service for all classes of employees.
- **SB 1411 Va. Retirement System & DCJS; return to work for retired law-enforcement officers.**
 - Directs the Virginia Retirement System and the Department of Criminal Justice Services, in consultation with the Joint Legislative Audit and Review Commission, to analyze and report on options for allowing law enforcement officers to return to work as law-enforcement officers after retirement and continue to receive their retirement benefits.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Public Safety

- **HB 1572 / SB 1291 False emergency communication to emergency personnel; penalties, report.**
 - Provides that it is a Class 1 misdemeanor for any person to knowingly report, or cause another to report in reliance on intentionally false information provided by such person, a false emergency communication to any emergency personnel that results in an emergency response. The bill also provides that it is a Class 6 felony if such false emergency communication results in an emergency response and any person suffers a serious bodily injury as a direct and proximate result of the false emergency communication and a Class 5 felony if any person is killed as a direct and proximate result of the false emergency communication. The bill also authorizes any locality to provide by ordinance that a person convicted of such false emergency communication shall be liable for the reasonable expense in responding to such false emergency communication. VACo supported.
- **HB 1590 / SB 1034 Telephone, digital pager, or other device to signal; causing alert with intent to annoy, penalty.**
 - Modernizes the statute prohibiting harassment of emergency personnel in the performance of their duties by causing a telephone to ring to include a prohibition on causing any other device to signal with the intent to annoy, harass, hinder, or delay such emergency personnel. VACo Supported.
- **HB 2175 Fire service needs; sustainability of funding, and alternative funding models.**
 - Directs the Secretary of Public Safety and Homeland Security (the Secretary) to establish a work group to study existing fire service needs, analyze sustainability of current funding, and review alternative funding models from other states. In conducting its study, the work group may hire an outside consultant and shall create a needs assessment survey that analyzes existing fire service needs, the sustainability of current funding, any gaps in current funding, how other states fund fire and EMS services, and best practices from other states. VACo supported.
- **SB 1025 Witnesses; exclusion, governmental agencies, and other entities.**
 - Adds an officer or agent of a partnership, governmental agency, or other entity to the list of persons who are exempt from the rule allowing the exclusion of witnesses during a proceeding in a civil case. VACo supported.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Workers' Compensation

- **HB 1408 / SB 906 Workers' compensation; presumption of compensability for certain cancers.**
 - Expands the workers' compensation presumption of compensability for certain cancers causing the death or disability of certain employees who have completed five years of service in their position to include bladder and thyroid cancer. The presumption for these cancers does not apply for any individual diagnosed with such a condition before July 1, 2023.
- **HB 1775 / SB 904 Workers' compensation; anxiety disorder or depressive disorder incurred by law-enforcement officers.**
 - Provides that an anxiety disorder or depressive disorder, as both are defined in the bill, incurred by a law-enforcement officer or firefighter is compensable under the Virginia Workers' Compensation Act on the same basis as post-traumatic stress disorder, except in the case of responding to crime scenes for investigation. The bill provides that a mental health professional must diagnose the covered individual as suffering from anxiety disorder or depressive disorder as a result of a qualifying event, defined in the bill as an incident or exposure occurring in the line of duty on or after July 1, 2023, and includes other conditions for compensability.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Failed Legislation

- **HB 1429 Supplementing compensation of public defender**
 - Would have required the governing body of any county or city that elects to supplement the compensation of the attorney for the Commonwealth, or any of his deputies or employees, above the salary set by the Compensation Board to proportionally supplement the compensation of the public defender, or any of his deputies or employees, commensurate with the compensation of the attorney for the Commonwealth, or any of his deputies or employees, and to pay for such additional compensation from the funds of the county or city. VACo opposed this measure.
- **HB 1476 Auditor of Public Accounts; civil penalty for local noncompliance**
 - Would have provided that localities and localities' constitutional officers shall be subject to monetary penalties for failure to comply with various deadlines for preparing local financial audit reports and submitting such reports to the Auditor of Public Accounts. VACo opposed this measure.
- **HB 1487 Meetings of local governing body; live broadcast and archive**
 - Would have required localities to provide a live video broadcast of public meetings of the local governing body and to archive such broadcasts on their websites. VACo opposed this measure noting that for those localities that do not currently live broadcast and archive, this would cause a one-time increase in capital expenditures due to purchases of technology equipment. Additionally, the bill could cause recurring expenditures from increased employment costs (e.g., hiring additional personnel to conduct these live broadcasts), and/or changing licenses for their current webpage services.
- **HB 1631 / SB 1088 Workers' compensation; post-traumatic stress disorder incurred by dispatcher**
 - Would have allowed dispatchers, as defined in the bill, to claim workers' compensation benefits relating to post-traumatic stress disorder under the Virginia Workers' Compensation Act. Currently, only law enforcement officers and firefighters may claim such benefits.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Failed Legislation (continued)

- **HB 1810 Administration of government; rights of state and local employees; freedoms of conscience and expression.**
 - Would have protected local government employees from being penalized by their employer for expressing their opinion regarding a current or proposed regulation, rule, policy, position, or other action or purpose of a public body at an open meeting of such public body during the time designated for public comment when such employees are speaking on their own behalf as members of the public. The bill exempts from such protection expressions made by state government employees during a public meeting of a committee or subcommittee of the General Assembly or State Corporation Commission.
- **HB 1813 Fireworks; sale, use, and taxation.**
 - Would have exempted consumer, display, and permissible fireworks, defined in the bill and relevant law, from the definition of “device” as it pertains to criminal penalties for the possession, manufacture, transportation, distribution, or use of explosive devices. The bill provides that the Statewide Fire Prevention Code does not apply (i) to the sale of permissible or consumer fireworks; (ii) to any person using, igniting, or exploding permissible or consumer fireworks on residential or agricultural property with the consent of the owner of such property; or (iii) when such permissible or consumer fireworks are being transported from a locality where they were legally obtained to a locality where they are legally permitted. The bill imposes a 12 percent retail sales and use tax on the sale or use of consumer, display, or permissible fireworks, the revenues from which shall be deposited in the Law Enforcement Support Fund, created by the bill.
- **HB 1880 Localities; record of legal settlement or judgment; disclosure.**
 - Would have required localities to retain a public record of certain legal settlements and judgments and requires the record of such amount to be subject to disclosure if requested pursuant to the Virginia Freedom of Information Act.
- **HB 1905 Workers’ compensation; presumption for law-enforcement officers with back, hip, knee, etc.**
 - Would have established a workers’ compensation presumption for back, hip, knee, and neck injuries that cause the death or disability of law-enforcement officers, as defined in the bill, who have completed five years of service and are required to wear a duty belt, as defined in the bill, as a condition of employment.



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Failed Legislation (continued)

- **HB 2292 Virginia Retirement System; school resource officers.**
 - Would have required localities to provide enhanced retirement benefits to school resource officers. The bill also allows a retired law-enforcement officer to return to work as a school resource officer after a break in service of at least 12 months without impacting his retirement benefits.
- **SB 1309 Virginia Freedom of Information Act; allow local public bodies to hold virtual meetings.**
 - Would have allowed local public bodies, except for boards with the authority to deny, revoke, or suspend a professional or occupational license, to hold all-virtual public meetings in accordance with the other provisions of the Virginia Freedom of Information Act. The bill limits the requirement that public bodies do not convene all-virtual public meetings consecutively or more than twice per year to state public bodies.
- **SB 1379 Local and regional correctional facilities; provision of medical services; waiver of sovereign immunity.**
 - Would have waived sovereign immunity for health care providers employed by localities or by local or regional correctional facilities to provide medical services to prisoners for a claim of wrongful death or injury resulting from a negligent or wrongful act or omission in the provision of such medical services. This bill is in response to *Patterson v. City of Danville*, 875 Va. S.E.2d 65 (2022).



2023 Legislation Related to VACo General Government Platform/ Proposed Revisions

Workgroups

[HB 2161](#) (Williams) standardizes the frequency and length of time that notices of certain meetings, hearings, and other intended actions of localities must be published in newspapers and other print media, among other provisions. The bill directs the Virginia Code Commission to convene a work group to continue review of the notice requirements throughout the Code of Virginia and requires the Virginia Code Commission to submit a report to the Chairmen of the House Committee on General Laws and the Senate Committee on General Laws and Technology summarizing the work and any recommendations of the work group by November 1, 2023.

[HB 2175](#) (Sickles) directs the Secretary of Public Safety and Homeland Security (the Secretary) to establish a work group to study existing fire service needs, analyze sustainability of current funding, and review alternative funding models from other states. In conducting its study, the work group may hire an outside consultant and shall create a needs assessment survey that analyzes existing fire service needs, the sustainability of current funding, any gaps in current funding, how other states fund fire and EMS services, and best practices from other states. The Secretary shall report the work group's findings and any recommendations to the Chairmen of the House Committee on General Laws and the Senate Committee on General Laws and Technology on or before October 1, 2023.

Studies and Workgroups Created from Previous Legislative Sessions

[SB 1296](#) (Spruill) Provides for the State Coordinator of Emergency Management to establish an Emergency Management Equity Working Group to ensure that emergency management programs and plans provide support to at-risk individuals and populations disproportionately impacted by disasters.

[2022 Appropriations Act](#) directs the Virginia Information Technologies Agency (the agency) to take the necessary steps to obtain and use the cybersecurity grant funding that is available to Virginia under the State and Local Cybersecurity Improvement Act subtitle of the Infrastructure Investment and Jobs Act of 2021. In accordance with the federal grant requirements, the agency shall establish and identify candidates for appointment by the Governor to a planning committee that includes members from (i) state government; counties, cities, and towns; institutions of public education and health within Virginia; and (ii) suburban, rural, and high-population jurisdictions.

