

# Capitol Contact

## Virginia General Assembly

Virginia Association of Counties • 1207 E. Main Street, Suite 300 • Richmond, VA 23219  
www.vaco.org • 804.788.6652

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## School Construction Financing Bills Advance Through Committees, Headed Back to Senate and House Floors!

On Wednesday, February 21, the House Finance Committee reported with a substitute [SB 14 \(McPike\)](#) on a bipartisan vote of 13-8. As previously [reported](#), this bill would permit any county or city to impose an additional local sales and use tax of up to 1 percent, if initiated by a resolution of the local governing body and approved by voters at a local referendum. The revenues of such a local tax would be used solely for capital projects for the construction or renovation of schools. Any tax imposed shall expire when the costs for capital projects are to be repaid and shall not be more than 20 years after the date of the resolution passed. Currently, this authority is limited to the qualifying localities of Charlotte, Gloucester, Halifax, Henry, Mecklenburg, Northampton, Patrick, and Pittsylvania Counties and the City of Danville.

The substitute incorporates [SB 146 \(Mulchi\)](#), which was a “standalone” bill for Prince Edward County. The substitute also allows localities that choose to exercise this authority, if approved by voter referendum, to use the revenues from such authority for school capital debt payments and clarifies eligible uses for capital projects. Lastly, the substitute clarifies a revenue sharing process for the two towns in Virginia that operate their own school divisions, West Point and Colonial Beach. If any county that contains a qualifying town (King William County and Westmoreland County) approves this authority by voter referendum, the county shall pay into the qualifying town’s treasury the proper proportionate revenues received by such county from levying the tax authorized by this section in the ratio that the school age population of such town bears to the school age population of the entire county. Such payments to a qualifying town shall be made as soon as practicable after receipt of funds by the county each month pursuant to subdivision 1. A qualifying town receiving revenues pursuant to this

subdivision shall use such revenues solely for school capital projects as provided in this section for counties and cities.

The bill now heads to the full [House of Delegates](#) where it could be heard on first reading as early as tomorrow.

[HB 805 \(Rasoul\)](#) was conformed to SB 14 in the version that left the Senate and reported by Senate Finance and Appropriations on a bipartisan vote of 11-3. It will be heard on second reading by the full [Senate](#) today. In his testimony to the House Finance Committee, Senator McPike signaled his intention to conform HB 805 to SB 14 in its current form, thus negating the need for the bills to go to a committee of conference.

VACo and numerous other local government and K-12 advocates have testified in favor of the bill. VACo thanks its members and those who advocated for the bill. Please contact your delegates and senators to reaffirm your positive support for this legislation. If this legislation passes, it will make its way to Governor Youngkin.

**ACTION REQUIRED** – Call your Delegates (2-Part Email List – [Delegates 1](#) | [Delegates 2](#)) and [Senators](#) now to urge them to support HB 805.

Please review this [video](#) and [one-pager](#) for information on the desperate need for more school construction financing options.

### **KEY POINTS**

- Funding for school construction and renovation is one of the biggest concerns and responsibilities of local governments in the Commonwealth and has been almost solely a local responsibility for decades. The condition of the facilities in which children are educated has a direct impact on their ability to learn.
- Many localities face significant challenges in raising sufficient funds to undertake these projects. These challenges include over-reliance on real property taxes to generate revenue, which can have vastly different yields depending on the locality and disproportionately burden a subset of taxpayers within a jurisdiction. This raises concerns over equity and diversity of revenues.
- According to the [Commission on School Construction and Modernization](#), more than half of K-12 school buildings in Virginia are more than 50 years old. The amount of funding needed to replace these buildings is estimated to cost \$24.8 billion.
- This legislation was a unanimous recommendation by the Commission on School Construction and Modernization.

- This bill is about parity for local governments, giving all counties the same authority currently given to nine localities.
- This bill is **NOT** a tax increase. It would merely create a local option and another tool in the toolbox of local government, which would only be enacted by local referendum.

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

## Local Speed Limits Authority Bill Gets Green Light

[HB 1071 \(Carr\)](#) seeks to achieve a [long sought-after transportation safety policy goal](#) of Virginia localities. This bill would allow the governing body of any locality to reduce to less than 25 miles per hour, but not less than 15 miles per hour, the speed limit of highways that are part of the state highway system. The bill further states that these roads must be in a business district or residence district within the locality's boundaries and the reduced speed limit must be designated with lawfully placed signs.

VACo supports **HB 1071** and has testified during its hearings in the House and Senate. VACo is happy to write that HB 1071 reported out of the Senate, [23-17](#), [passing the House](#) before crossover. The bill will now head to the Governor's desk where we await his decision.

HB 1071 would improve the ability of Boards of Supervisors to respond to constituent concerns regarding transportation safety and clarify that this authority applies to roads within the state highway system. VACo thanks Delegate Carr for putting the bill forward. VACo also thanks all the stakeholders who supported this bill and for urging legislators to vote for the bill. VACo will be sure to provide updates when they become available.

VACo Contact: [James Hutzler](#)

## Key Dates for the 2024 General Assembly

As part of its organizational work on the first day of the 2024 session, the General Assembly adopted a procedural resolution on January 10 that sets out important dates and deadlines for the 2024 legislative session.

- **January 10:** General Assembly convened at noon. Bills that were "prefiled" were due to be submitted by 10:00 a.m. Bills affecting the Virginia Retirement System, or creating or continuing a study, were required to be

filed by adjournment of the floor session.

- **January 12:** Deadline for submission of member budget amendments.
- **January 19:** 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 13:** “Crossover” deadline for each chamber to complete work on legislation originating in that chamber (except for the budget bill).
- **February 18:** “Budget Sunday,” the deadline for the “money committees” to report their respective budgets by midnight.
- **February 22:** Deadline for each chamber to complete consideration of its budget bill.
- **February 28:** Deadline for each chamber to complete consideration of the other chamber’s budget bill and revenue bills.
- **March 4:** Deadline for committee consideration of legislation, by midnight.
- **March 9:** Scheduled adjournment *sine die*.
- **April 17:** Reconvened session for consideration of Governor’s amendments and vetoes.

VACo Contact: [Katie Boyle](#)