

AUGUSTA COUNTY BOARD OF SUPERVISORS
Legislative Issues, Priorities, and Proposals
2014 Virginia General Assembly

MAJOR ISSUES

The relationship between the Commonwealth and its local jurisdictions has deteriorated over the last several years with responsibilities and costs being shifted to local governments. The Board of Supervisors commends the Governor and the General Assembly for eliminating the “Local Aid to the Commonwealth” and encourages the General Assembly to continue to eliminate unfunded shifting of responsibilities to local governments.

The Board of Supervisors also is seeking \$823,500 to ensure the full (65%) federal funding of federal and state mandated improvements to Todd Lake Dam. This amount is consistent with the formula used for similar dams owned by the Soil & Water Conservation districts; it also reflects the start-up funding already appropriated by the Commonwealth in the 2013 Session.

Mandates:

Mandates from the General Assembly come to local governments in two forms:
-issues that local governments have to perform which they are not currently performing (this item means additional expenditures in local budgets); and
-issues which involve revenue reductions either by cutting state revenue that has historically been shared with local government (example – ABC profits), or the abolition/altering of local revenues (example – car tax, BPOL, machinery and tools tax).

The Governor’s Local Mandates workgroup needs to be bold in their recommendations for the 2014 Session and include reduction of financial burdens on local governments.

State Funding for Any New State Initiatives:

The Commonwealth should bear 100% of the cost for any service or program mandated by the state.

Public Education

Since 2009, the state has reduced its per pupil contribution to Augusta schools by \$1119; this represents close to a 20% decrease. The state needs to fully and realistically fund its responsibility for high quality public education.

School Composite Index Formula

Support legislation to adjust the calculation of the local Composite Index for public schools funding by directing the Department of Education to adjust its funding calculations for the local ability to pay by using the use-value assessment of real property, instead of the true value, in localities that have adopted use-value taxation.

State Funding for Mandated and Shared Programs:

The state has enacted programs which are administered at the local level and then required the localities to fund increasingly larger shares of the expense of these programs, whether directly or through re-defining terms within the formulas used to compute such funding requirements. The state needs to continue to fund its true share of these programs including:

- education, including:
 - *sufficient funding for K-12
 - *sufficient funding for the SOLs
 - *additional funding for school construction;

- public libraries;
- constitutional officers and their offices;
- area agencies on aging;
- community service boards;
- mental health and intellectual disability programs and facilities;
- the mandated replacement of election equipment; and
- law enforcement agencies and staff, including total compensation and benefits

Transportation:

Subdivision streets should be eligible to be placed easily in the state system if they are built to state specifications and are approved by the local governing body.

The transportation funding formula should remain as it is with the exception of lowering the threshold in the SFY 2014-2019 Construction for paving unpaved roads--change from “more than 200 vpd” to “more than 100 vpd.”

The Board of Supervisors believes that sustainable, dedicated sources of revenue reserved for transportation only are the fairest ways to fund the increasing transportation needs. We also believe that revenue sources should be found that maximize the payments by out-of-state drivers that travel the Virginia transportation system. Substandard road conditions are a tax in themselves.

Fines and Forfeitures:

Item 3-6.05 in the 2012 Special Session budget (HB 1301) is a complex answer to a simple problem. The implementation of this law is administratively burdensome and costly as written. A simpler solution would be to prohibit the use of local ordinances for law enforcement charging on the interstate highways of the Commonwealth.

Machinery and Tools Tax &

Business, Professional and Occupational Taxes:

While neither of these taxes is particularly “popular” with various constituencies, unless and until the Commonwealth enacts replacement revenue sources for local governments, the two above-referenced taxes must stay in place as options for local governments. It is irresponsible to further add to the real property tax burden on constituents by eliminating more diverse revenue sources for local governments. A loophole in the BPOL is growing by virtue of the buying up of doctors’ practices by untaxed (not-for-profit) hospitals. Not only do local governments forego real property taxes on these hospitals and their expansions, but now, the impact on BPOL is becoming yet one more burden to be offset by residential real property taxes.

Comprehensive Services Act Costs:

This “partnership” program has been in existence for a dozen years, during which time County costs have increased over 1000%. Something must be done. A comprehensive, objective JLARC study which would include the judiciary and how judges are using the CSA, including for those charged with felony acts, needs to occur and to include, the local and state costs associated with such judicial actions and potential revenue streams to cover those costs outside of CSA (eg., Juvenile Justice). Further, it is time that the regulatory provisions of this program be treated like regulations of virtually every other office and be subject to the Administrative Process Act.

Land-Use Decisions:

Local land use decisions should remain at the local level without unreasonable or arbitrary state constraints.

Legislation on cash proffers or similar: Such legislation should not affect counties that don't use cash proffers nor should it interfere with those that accept on- or off-site, non-cash voluntary proffers.

Storm Water and Dam Regulations:

The current opportunities for the rejection of a developer's BMP is very burdensome and requires a long review period by the state. Decisions on acceptable BMP's that are intended to be maintained by the locality should rest solely with the locality responsible for the maintenance of proposed BMP: additionally, to require 28% of the Virginia Storm water Management Program permit fees to be remitted to the state is unfair and wasteful. To begin, such should be based on collection, not arbitrary fee level. If fees remain in place the locality should have the option on projects in which local fees are waived, per the localities fee waiver policy, to waive the state percentage of the fee as well. Further, civil penalties during enforcement should be used by the locality as needed, not within confined uses as is currently required.

Inspection by both the state and local government when local erosion and sediment control requirements and ordinances are identical to the state is wasteful. The recent TMDL requirements along with storm water regulations pose a significant burden on local governments as well as developers. When applied to existing development, this becomes an unfunded tax burden for residents and businesses.

Local Government Operations:

VAC § 9.1-701. Overtime compensation rate.

If expanded, such an expansion has the same effect on all workforce employers across the Commonwealth as opening the door to collective bargaining.

Annexation:

The General Assembly needs to end annexation in all parts of the Commonwealth of Virginia. The General Assembly should guarantee "599" funding increases to all localities with police departments.

Payday Lending:

This issue has been too long a burden on unwitting consumers and must be simplified with a cap on total interest that is fair and reasonable. The current law has too many deviations from the stated "maximum" rate of interest.

Legislative Nominating Processes:

The costs of holding primary elections are not small for local governments. In the primary election in 2009 which was a "large" turnout for statewide races, there were 1,836 total Augusta voters, 4.25% of the total registrant count of 43,187. The primary cost to the county was \$25,642.39, or \$13.966 per vote. The 2013 June Primary had a turnout of 451 voters out of 45,141 registered for a 1% turnout which cost \$69.31 per vote.

Elections:

Another issue we may be facing is the enormous push by the Virginia State Board of Elections and legislators for all localities to convert to optical scan voting equipment by January 1,2016, without any state or federal funding provided. Rough estimates on the cost would be around \$300,000 which would not include each election's coding and testing

expenses, the need for optical scan paper ballots for every voter in the locality (over 45,000) each election, and the needed additional storage required by both the county for the equipment and the Clerk of Court for the huge increase in ballots that will be housed there for retention and recount purposes. This has not been mandated yet but we have been told it is coming; it should not come without adequate state funding.

The Privileges and Elections committees should study and report on alternative methods for legislative nominating that are less costly while still allowing a maximum voter input in the process. Ideas might include such constructs as all-day mass meeting voting at a limited number of site(s) for each district.

Volunteer EMS and Rescue Squad Training:

Augusta County supports practical and reasonable initial certification and ongoing continuing medical education (CME) requirements for county EMS and rescue squad volunteers. Augusta County recognizes the vital importance of volunteer EMS and rescue squad training but does not support unreasonable education requirements that discourages public volunteer service.

OTHER PRIORITIES:

Reform and Restructuring:

The Reform and Restructuring Commission is in the process of developing their recommendations for the 2014 Session, many of which may affect local government. It is too early to evaluate the total implications of these ideas, particularly without the details of any conceptual discussions. The General Assembly needs to examine carefully short-term and long-term effects on state government and local governments, particularly with respect to state and local budgets. Many of the ideas that have been forwarded seem to have merit; however, the methods by which the concepts are proposed to be implemented have to be carefully reviewed for long-term effectiveness, efficiency and fairness.

The Medicaid Innovation and Reform Commission may also put forward recommendations to prepare for potential Medicaid expansion under the federal ACA. Any and all additional requirements for local departments of social services, health departments, etc., need to be fully and responsibly funded by the state and/or federal government.