

# Update

August 29, 2003



The newsletter of the  
Virginia Municipal League

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## Tax reform talks put localities on defensive

Local governments may find themselves having to defend their existing taxing authorities and revenues if the commission examining revisions to the state tax code continues to pursue several “reforms.”

The commission on the revision of Virginia’s State Tax Code and the Streamlined Sales Tax Project Agreement (SJR 347) met most recently on Aug. 18. The work of three of its five subcommittees suggests that local governments may have little chance of advancing new taxing authority to support core services.

The members of the BPOL tax subcommittee, including Chairman Del. Thelma Drake, recognize that replacing that levy and its more than \$420 million in annual revenue is difficult. Business interests, however, continue to push for significant reform or repeal of the BPOL tax. VML stressed the significance of the revenues and its opposition to adoption of the unreliable option of

repealing the tax and replacing it with a state revenue sharing formula.

The chairman of the Personal Income and Retail Sales and Use Tax subcommittee, Del. Allen L. Louderback, is proposing major reforms, including adjusting the income tax and the sales and use tax, and means testing the age deduction for seniors. He proposes reducing the burden on the working poor and increasing the top rate for those who earn more than \$49,000 a year. The loss of state revenue resulting from the above, estimated at more than \$469 million in fiscal year 2005, would be offset by Louderback’s proposal to eliminate the existing sales and use tax exemptions and by reducing the rate by one-half percent to 4 percent. His sales and use tax adjustments generate an estimated additional \$1.8 billion a year. Louderback would also generate

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## Warner delivers cautious revenue message

Gov. Mark R. Warner gave the most upbeat revenue news of his 20-month-old administration when he informed the Senate Finance, House Appropriations and House Finance committees Aug. 25 that Virginia ended fiscal year 2003 with a surplus of \$55.2 million. While exceedingly modest compared to the spectacular revenue growth experienced in the late 1990s, the surplus offered some relief from three years of year-end shortfalls. Secretary of Finance John Bennett provided more details on the revenue picture following the governor’s address.

General fund revenue collections for FY03 came in at 1.8 percent — about six-

tenths of a percent above the 1.2 percent in the revised forecast and 1 percent above the growth rate of 0.8 percent predicted for FY03 at this time last year. While in positive territory, the 1.8 percent growth rate was the fourth weakest recorded in Virginia since 1962. The positive growth was generated by better-than-expected performance in nonwithholding receipts (estimated and final receipts; usually correlated with stock market performance), corporate income, recordation taxes (strong growth in home re-financings), and insurance premiums (driven in part by post-Sept. 11 business insurance rate increases). Public service and

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## FROM THE CAPITOL

### Tax reform talks continued ...

additional revenue, estimated at more than \$114 million annually, by means testing the current age deductions for seniors whom pay the income tax.

The chairman of the subcommittee on Other Miscellaneous State and Local Taxes, Sen. Emmett W. Hanger Jr. announced an ambitious agenda. He proposes advancing the Streamlined Sales Tax Project Agreement. The agreement allows states to collect their respective use tax on Internet retail purchases. While the proposal increases Virginia revenues by an estimated \$200 million annually, the national agreement requires the state to repeal its point-of-sale system and adopt a point-of-delivery system. This change will affect specific localities, particularly those with large retailers that specialize in deliveries (for example, large furniture stores). Additionally, Hanger proposes repealing the estate tax and the accelerated sales tax. He also desires to:

- repeal the personal property tax (at an estimated cost of more than \$1.5 billion annually) on residential and business vehicles and replacing most of the revenues;

- provide counties with equal taxing authority, but doing so by capping local rates, including those of towns and cities;

- control the growth in real estate assessments, although he did not provide specifics;

- examine the collection and appropriation of recordation tax revenues; and
- examine electric utility license tax rates and revenues.

The State and Local Government Services and Responsibilities Subcommittee, chaired by Sen. John H. Chichester, heard two important presentations about the growing pressures on existing state and local revenues and services. JLARC updated its 1992 report on local service responsibilities. Additionally, a representative of the administration reviewed the escalating costs of the Comprehensive Services Act.

The transportation subcommittee, chaired by Del. Leo Wardrup, received two reports. The first highlighted the work of the HJR 211-study commission created last year to examine transportation funding formulas and revenues. This commission has met only once

since the adjournment of the 2003 legislative session. The second report, presented by the chief financial officer of VDOT, included a detailed overview of transportation revenues and the current allocation formulas. In light of the HJR 211 study, Wardrup's subcommittee concluded that a separate review of the funding formulas was beyond its purview. The subcommittee resolved that it should concentrate on addressing the imbalance between construction and maintenance funding. In the past, excess maintenance dollars have been transferred to construction. Over the next six-years, however, more than \$60 million annually is expected to be shifted from construction to maintenance to support existing infrastructure.

The committee will meet again in mid-September. In the interim, VML and VACo are attempting to meet with each one of the legislative members of the commission. They are: Sens. Hanger (co-chair), Chichester, Colgan and Stosch, and Dels. Parrish (co-chair), Drake, Joannou, Louderback, Melvin and Wardrup. ♦

### Revenue continued ...



consumption taxes also came in above the forecast. In contrast, payroll withholding came in at 2.5 percent, below the 3.2 percent forecast, and sales tax collections were \$6.6 million below forecast.

Just one year ago, the Warner administration was announcing a FY02 growth rate of negative 3.8 percent, resulting in a shortfall of \$237 million below the revenue forecast, and a looming \$1.5 billion shortfall in the revenues for FY03 on top of the \$3.8 billion hole addressed earlier in the year. At that time, Warner called for an early re-forecast of revenues for FY03; this year, he said that such intervention would not be necessary, given the slightly improved revenue picture. That means his economic advisers will meet later in the fall, as regularly planned, to develop an updated forecast for the remainder of FY03 and the 2004-06 biennium, which begins July 1, 2004.

Warner outlined some of the reforms made to information technology organization, procurement, and veterans' affairs, and said that these reforms had taken place with 4,900 fewer full-time positions in state government, and against the backdrop of the \$6 billion shortfall. He emphasized the need to continue reform of state government functions within the current level of resources. He added that hiring restrictions and limitations on non-essential agency spending remain in place.

While the surplus was welcome news, the overall outlook for this fiscal year and the 2004-06 biennium is precarious:

- First, the majority of the \$55.2 million surplus is already committed to existing obligations: \$23.6 million of the surplus resulted from the portion of the accelerated sales tax that would normally go to the Transportation Trust Fund. This money will be returned to the TTF as a sorely-

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## FROM THE CAPITOL

### Revenue continued ...

needed infusion of resources; \$11.4 million of the surplus comes from lottery proceeds, which are constitutionally dedicated for public education; \$6 million of the surplus is designated by statute for the Water Quality Improvement Fund; and \$5 million has been set aside to pay relief for already-declared disasters (mostly floods and tornado relief).

- Second, the usual budget-drivers – K-12 education, Medicaid and other human services programs (such as the Comprehensive Services Act for At-risk Youth and Families, special-needs adoptions, and indigent healthcare) as well as the car-tax reimbursement to localities, will all require more money in the new biennium, and possibly in the current year. Figure in three years of investment losses at VRS, which will lead to increased state contribution rates for employees, as well as increased state contributions for employee health insurance. Then add to the picture more recent state commitments and necessities, including civil commitment of

sexually-violent predators and homeland security costs, which will require additional state resources.

- Third, potential action, or inaction, by Congress on a number of issues now before it – prescription drugs, dual-eligibility for Medicaid and Medicare, the over-due reauthorization of the Temporary Assistance for Needy Families (TANF) program, and transportation reauthorization, will affect Virginia's budget.

- Finally, the economic picture at the national and state level, while slightly improved, remains fluid. The current forecast of 4.6 percent revenue growth for FY04 seems ambitious given the 1.8 percent in the past year, but may be achievable if there is continued job market improvement, stable consumer confidence, no significant external shocks to the economy, and no wholesale retreat from the stock market.

Links to the governor's speech and the secretary of finance's revenue report are available at <http://www.governor.virginia.gov/>. ❖

### Economist offers slightly rosier financial picture

A private sector economist told the Senate Finance Committee that she was slightly more optimistic about the state's economy than Secretary of Finance John Bennett, who earlier in the day addressed a joint meeting of the General Assembly money committees.

Christine Chmura predicted a 2.5 percent increase in total nonagricultural employment, as opposed to Bennett's predicted growth rate of 1.4 percent. Her predicted 5.1 percent growth in wages and salaries, however, lags Bennett's predicted rate of 5.9 percent.

Chmura stated that manufacturing output is beginning to rise, and consumer spending is rising. She forecasts a slowdown in housing starts, as mortgage rate increase from their historic low points.

She presented data showing that employment growth in Virginia over the past year was strongest in the leisure sector

(3.3 percent increase) and the education/health sector (2.6 percent increase). It was weakest in the information sector (6.3 percent decrease) and manufacturing (3.5 percent decrease).

Chmura said that it doesn't feel like the recession is over because employment is lagging. The state lost 72,000 jobs during the recession and it will take through at least October to recapture that number of jobs. Revenues also are slow to rise. She predicted faster growth as 2003 unfolds, and into 2004.

Chmura heads up the Richmond consulting firm of Chmura Economics & Analytics, which specializes in traditional economics and quantitative research, forecasting interest rates, national activity and regional economic growth. ❖

## FROM THE CAPITOL

### FY03 appropriations exceed car tax relief reimbursements — *slightly*

Car tax reimbursements for fiscal year 2003 totaled \$856.6 million, \$17.4 million less than what was included in the Appropriations Act for FY03, according to a handout made available at the Aug. 25 meeting in Richmond of the Senate Finance Committee.

The reimbursements, however, exceeded the appropriations contained in the original 2002-04 budget. Those appropriations were revised upward by \$55 million for FY03 and \$73 million for FY04 during the 2003 session.

Reimbursement rates under the Personal Property Tax Relief Act take effect on Jan. 1. The rate of state reimbursement stays fixed at its current rate (70 percent) as long as any one of these conditions takes place:

- actual general fund revenue collections, including transfers, fall short of the forecast in the Appropriations Act by at least one-half of 1 percent;
- the governor's general fund revenue forecast, excluding transfers, made in December anticipates less than 5 percent growth for any year covered by the forecast.
- the governor's general revenue forecast in December predicts that total general fund revenue collections, including transfers, will fall below the existing appropriation for either year of the biennium.

All three of these conditions were met on Jan. 1, 2003, and the third condition is in effect for January 2004. Therefore, the earliest that an automatic

change could occur is Jan. 1, 2005, thus making it effective for 18 months of the 2004-2006 biennium.

In order for the reimbursement rate to change, three conditions have to be met:

- the governor's Dec. 2003 estimate of revenue growth would have to be 5 percent or greater for each year covered by the forecast;
- the current fiscal year's collections must come within 99.5 percent of the estimate; and
- the December 2004 revenue forecast must sustain the revenue growth assumed in the budget as originally passed.

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### Uncoupling of teacher, state employee retirement rates on VRS' agenda

Whether retirement contribution rates for teachers and for state government employees should continue to be pooled as one rate will be discussed at the Oct. 7 meeting of the Benefits and Actuarial Committee of the Virginia Retirement System in Richmond.

The full Board of Trustees will hear the committee's recommendations and make its decisions on its recommended contribution rates at the board's Oct. 8 meeting. Uncoupling rates probably will mean that local contributions by local governments for teacher retirement will be higher than if the rates were not coupled.

The VRS Board of Trustees briefly discussed the issue of the blended rates for teachers and state employees at its Aug. 21 meeting in Richmond.

The pooling of the rates, first proposed in 2000, has resulted in a lower rate for teachers and a higher rate for state employees. The lower rate for teachers benefits local governments.

Currently local governments pay a share, based on the composite index, of the retirement costs for teachers funded by the state. In addition, local governments pay the entire retirement costs for the 20,000

plus teachers whose positions are not funded by the state.

With the pooled rate, the state pays a higher rate for its employees, but a lower rate for its share of the costs for the teachers that it funds.

Gov. Jim Gilmore included, upon the advice of the VRS Board of Trustees, the pooled rates in his December 2000 budget proposal to the General Assembly. At the time, there was one rate for all teachers and a different rate for state employees. (There also were, and are, separate contribution rates for the other state retirement programs and for each political jurisdiction participating in VRS.)

Separate rates for teachers and state employees are still calculated, but then a blended rate is calculated and forms the basis for the contributions to the retirement system. Contribution rates are a percentage of payroll.

Whether rates are blended or not, contribution rates for all the retirement systems are expected to increase in the next biennium, reflecting the drop in the value of the stock market and the aging of the employee workforce. ❖

## FROM THE CAPITOL

# VRS group completes draft sickness and disability legislation

The workgroup convened by the Virginia Retirement System to draft legislation to allow political subdivisions and school divisions to participate in a sickness and disability plan offered by VRS has completed its work. The draft has been turned over to staff in the Division of Legislative Services to refine prior to going to Del. Robert Tata, who requested that the legislation be written.

The state version of the Virginia Sickness and Disability Program is a short- and long-term disability program for state employees. The program provides income security to employees who become unable to perform their normal job duties because of illness or injury, but is also aimed at returning employees to the workplace. Program features include family and personal leave, short- and long-term disability benefits and long-term care coverage.

The draft version of the local program calls it the Virginia Local Sickness and Disability Program. It is modeled after the state program. As drafted, political subdivisions will have the option of deciding whether to participate in the program or not.

Once a political subdivision decides to join the program, it also would have the option of deciding whether to require current employees who are members of VRS to participate or, alternatively, allowing current employees an individual election to participate. Newly-hired employees would have to participate.

The draft requires that at least 25 percent of a subdivision's employees would have to be part of the program in order for VRS to accept the subdivision into the program.

Once in the program, the political subdivision would have to stay in for five years, and would have to give a two-year notice of its intent to discontinue participation.

The program provides sick leave and family and personal leave for employees, based on career service with that employer. Employees with fewer than five years of service receive eight days of sick leave and four days of family and personal leave. As service with the employer increases, the employee could receive 10 days of sick leave and five days of family and personal leave. Employees entering the program would have their accrued sick leave converted to disability credits. If the disability credits were not used, they would be converted to service credits upon retirement or termination.

Under a sickness and disability program, an employee would receive 100 percent of his/her income for a certain time period, 80 percent for another period and then 60 percent for the remainder of time on disability. Disability credits are used to extend the time period for which 100 percent income replacement can be received. Under the program, sick leave could not be carried forward from year to year, and employ-

ees would not be paid for any unused sick leave balances.

The plans are for legislation to be introduced in the 2004 session of the General Assembly, for pilot programs to be established effective January 2005 and for the extension of the program to all other political subdivisions by July 2005.

The workgroup was convened following a request from Tata, chairman of the House Appropriations Committee on Compensation and General Government. Legislation was introduced in the past session that would have required VRS to develop a proposal allowing localities to participate in the Virginia Sickness and Disability Program (VSDP). The legislation was tabled because its purpose could be accomplished by the workgroup.

Local government representatives include David Hartzog, Virginia Beach payroll administrator; Staige Miller, Front Royal director of management services; Robert Lee, Fauquier County administrator; Scott Zarembo, Chesterfield County assistant director of human resources; Joe Paxton, Rockingham County deputy administrator; Stephen Riddleburger, Rockingham County human resources director; Ellen Davenport, Virginia Association of Counties director of public finance; and Mary Jo Fields, VML director of research.

For information, contact league staff member Mary Jo Fields (mfields@vml.org). ❖

## Employer to be responsible for correcting contribution errors

Employers will be responsible for the cost of correcting some types of mistakes due to the failure to make retirement contributions, according to a policy adopted by the Board of Trustees of the Virginia Retirement System at its Aug. 21 meeting.

The policy addresses what happens when retirement contributions are not made because of an error in the employer's payroll, personnel or other classification.

If the error is discovered and corrected within three years, state law allows the missed service to be pur-

chased, with the contribution rates being the ones in effect for the period. In these cases, the cost to both the employer and employee is the same as it would have been had the contributions been submitted when they were supposed to be.

A difference case arises if the mistake is not caught or corrected for more than three years. State law in this event requires the service to be purchased at an actuarial equivalent cost, but does not address who pays for the purchase.

The policy adopted by VRS says that employers the responsibility for paying

for the purchase in these instances for these reasons:

- employees should not be financially penalized for the employer's failure to discover or correct an error;
- employers have the ultimate responsibility for reporting service to VRS, and therefore also bear the ultimate burden for not reporting the service; and
- employers will be more diligent in their efforts to discover and/or remedy payroll, personnel or classification errors because of the potential for increased costs under the policy. ❖

## FROM THE CAPITOL

## No Child Left Behind

## Schools to be able to estimate fiscal effects of federal law

School divisions across Virginia have been unable to estimate how much it will cost to comply with the federal No Child Left Behind (NCLB) legislation, according to Superintendent of Public Instruction JoLynne DeMary. Her remarks were made at the Aug. 25 meeting of the Senate Finance Committee in Richmond.

School divisions have not had enough information to know what they will specifically be required to do under NCLB. Further, they have not known how they would be affected by the key accountability measurement included in the law, the adequate yearly progress measure.

DeMary said that school divisions will begin to know what they will be required to do to comply with NCLB beginning this fall, and that the Department of Education will be surveying the divisions to determine their need for additional resources to meet the requirements.

The report by the superintendent said that school divisions can expect to have implementation costs in areas such as test administration; data collection and reporting; prevention, intervention and remediation; teacher quality; supplemental services and school safety.

No Child Left Behind has five goals:

- by 2013-14, all students will reach high standards, attaining at the least proficiency or better in reading and math;
- all Limited English proficient students will become proficient in English and reach high academic standards, at a minimum attaining proficiency or better in reading and math;
- by 2005-2006, all students will be taught by highly qualified teachers;
- all students will be educated in safe and drug-free environments that are conducive to learning; and
- all students will graduate from high school.

Adequate yearly progress (AYP) will be an accountability tool by which all schools, school divisions and the state will be measured to determine if progress in reaching academic proficiency levels is being made. Virginia's AYP objective is a 70 percent passing rate for reading/language arts tests and for math tests. Progress not only has to be measured and made by each school, but by four specific subgroups of students: limited English proficient, major racial or ethnic groups, students with disabilities and economically disadvantaged students.

DeMary said the federal aid the state

department is receiving would help pay the initial costs of complying with the law. She estimates that federal funds for assessment under NCLB will be enough to cover all additional testing costs for the Department of Education, but that localities may have costs associated with test administration that have not been included in the estimates.

NCLB makes costly new requirements for student data collection and analysis. The estimated cost of developing the program at the state level from FY04 through FY06 is \$14.1 million. Some federal money will be available to help pay these costs, but an additional \$10.4 million will be needed in the next biennium from the general fund.

Further, these costs are for the development of the system, not for its ongoing operation. Operating costs are estimated at between \$2.5 million and \$3 million annually, not including the cost of on-going assistance to school divisions.

A copy of DeMary's presentation is available at [http://leg3.state.va.us/quickplace/sfc2003/main.nsf/h\\_FF78BFF97AC2971685256B18005F0859/4B225567EA9B85E385256D8A007178DF/?OpenDocument](http://leg3.state.va.us/quickplace/sfc2003/main.nsf/h_FF78BFF97AC2971685256B18005F0859/4B225567EA9B85E385256D8A007178DF/?OpenDocument). Download the file NCLB.pdf. ❖

## Natural Resources Funding Commission

## Water, tipping fees still on the table; deadline extended

The Governor's Commission on Natural Resources Funding needs more time to complete its work. The commission had planned to hold its last meeting Aug. 21 and submit a list of recommendations to Gov. Mark R. Warner on Sept. 1. Instead, the commission will meet again Sept. 15 and make its recommendations sometime after that date.

All commission members seem to agree on these basic points: Virginia seriously underfunds its natural resources programs; natural resource protection should comprise absolutely no less than 1 percent of the state budget (it now comprises considerably less than

that); Virginia's natural resource agencies should receive a larger share of the state's general fund revenue; and natural resources programs (at least those that are efficiently administered) should not experience any further budget cuts as they have in recent years.

Commission members also recognize the enormous amount of money needed for programs that will significantly improve Virginia's environment. This is especially true as they consider commitments made under the 2000 Chesapeake Bay Agreement, TMDLs, tributary strategies, and the administrative functions associated with air, water and waste permit programs. But that's where

the consensus ends. The debate on how to raise the money won't end anytime soon.

The dozen or so funding options that were considered at the commission's most recent meeting on July 29 have now been whittled down to five. They include a \$2 state surcharge (named an "electric utility fee") on monthly electric bills, a \$0.0066 cent increase in the gasoline tax, and a \$10 state tax on "recorded instruments" associated with real estate transactions. The other two would directly affect local governments. They are a \$3 per ton surcharge on landfill tipping fees and a \$2 "water

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**FROM THE CAPITOL**

**Water, tipping fees continued ...**

access fee” that would appear on every monthly water bill sent to households served by municipal systems. Commissioners realize that all five alternatives, if recommended by the governor to the General Assembly, would be controversial. For example, local governments

would oppose the proposed state tax on tipping fees and on household (and commercial) water use. A commission member representing Dominion Power expressed her client’s opposition to the \$2 electric utility fee.

At the Aug. 21 meeting, Natural

Resources Secretary W. Tayloe Murphy’s staff estimated that the five proposed revenue sources could generate slightly more than \$213 million for natural resource protection. Here is a breakdown of how much each source would contribute:

Source	Rate	Billed	Total units billed	Revenues
Water access fee	\$2	Household (by locality)	1.9 million connections	\$45.9 million
Recordation	\$10	Recording (locality)	2 million recordations	\$20 million
Tipping Fees	\$3	Per ton MSW (locality)	12 million tons	\$36 million
Petroleum tax	\$.006	1 gallon gasoline	6 billion gallons	\$36 million
Electric utility fee	\$2	Household (Power company)	3.1 million connections	\$75 million
<b>Total:</b>				<b>\$212.9 million</b>

In the current biennium, the portion of the state budget (FY03 and FY04) devoted to environmental protection is approximately \$506 million. Assuming there are no further budget cuts for natural resource spending, a staff analysis showed that revenues from the special sources identified above would boost the state’s natural resources budget to \$932.8 million.

At its next meeting the commission will consider not only whether to recommend to the governor the five named revenue sources, but also draft legislation to establish a special “Virginia Natural Resources Fund.” The meeting on Sept. 15 will be between begin at noon in the first floor conference

room of DEQ’s central office at 629 E. Main Street in downtown Richmond.

Questions about the work of the commission may be directed to Denise Thompson (VML) at 804/649-8471 / dthompson@vml.org or Larry Land (VACo) 804/343-2504 / Lland@vaco.org. ❖

**AT THE LEAGUE**

**Workshops to abound at annual conference**

**Roanoke publisher to speak at Tuesday women’s luncheon**



Plans are almost complete for the 2003 VML Annual Conference, to be held Oct. 19-21 at the Hotel Roanoke & Conference Center. Up-to-date information on the conference program can be found on the league Web site at [www.vml.org](http://www.vml.org).

Wendy Zomparelli, publisher of The Roanoke Times, will address the Women in Local Government luncheon, to be held Tuesday, Oct. 21 from noon until 1:30 p.m.

A series of concurrent workshops will be held Monday afternoon, Oct. 20. To help you plan on which sessions to

**VML Annual Conference**

attend, a brief overview of the topics to be covered on Monday afternoon follows.

**1:30-2:45 p.m.**

**Procurement — The Power of collaborative purchasing**

Learn how local governments can achieve significant savings and improved efficiencies through participation in two

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## AT THE LEAGUE

### Annual conference continued ...

state procurement initiatives — *eVA* and *VaPP*. *eVA* is the state electronic procurement tool that allows collaborative, leveraged purchasing across all units of state and local government. *VaPP*, the Virginia Partners in Procurement project, has been using the Commonwealth's bulk purchasing power to establish statewide contracts with average savings ranging from 8 to 18 percent.

#### Use of mediation to overcome land-use disputes (VML Insurance Programs)

Land-use decisions can be the most controversial issues to come before council — and council members and supervisors are often in the hot seat as a result. Find out how to engage the public in an effective way to avoid conflict in land-use decisions. Examples of case studies from jurisdictions across the state will be included.

#### Implications of HIPAA for local governments

Find out how the privacy rule in the federal Health Insurance Portability and Accountability Act (HIPAA) applies to local governments. HIPAA provides protections to patients who are insured under covered health plans. Some of the protections include guaranteed availability, limitations on pre-existing conditions and the portability of coverage. This session will help local officials determine what local government operations are covered by HIPAA, as well as the steps to be taken to comply with this statute.

#### Creative reuse of shopping malls

What do you do with a mall that shuts down? A study by the Congress for the New Urbanism finds that more than 100 enclosed regional malls are already in steep decline in the nation, with many more at imminent risk. The center believes that localities need to think about developing new neighborhoods on these sites, accepting the fact that some of them do not have regional retail in their future.

#### The State of Transportation in Virginia

Transportation has been in a state of flux over the past several years, with shortfalls in funding, project delays and

cost overruns. Secretary of Transportation Whitt Clement will give the most current information on the state of transportation today and what is expected for the future.

#### Education funding and tax restructuring

The proposed VML legislative program for 2004 includes a statement in support for a set of recommendations to address the inadequacy of state funding for K-12 education and the need for tax restructuring. The proposal will be voted on in the annual business meeting to be held Oct. 21. Find out more about how this key legislative proposal would enhance K-12 education and promote state and local fiscal soundness

#### Gaining affordable high-speed Internet access (town track)

Find out how Dickenson County overcame some of the most difficulty geography in the state to develop a plan to provide wireless broadband services at a very reasonable cost to its citizens.

#### 2:45-3:15 p.m. Break

#### 3:15 - 4:30 p.m.

#### The effects of changing demographics on local governments

Virginia has seen a dramatic increase in the number of foreign-born residents moving to the state. Hear three case studies on what a city, county and town have done as a result of the changing demographics in their communities.

#### Shining the light on electric deregulation

An overview of deregulation, including the issues that localities may face with respect to governmental load purchasing and/or citizen aggregation. Governmental load is the energy to run government facilities. Citizen aggregation is group purchasing on behalf of citizens.

#### Telecommunications tax reform

The legislative subcommittee studying the taxation of the telecommu-

nications industry is charged with finding an equitable solution to all affected parties, including local governments. The committee has developed a framework for legislation to submit to the state legislative committee studying the overall issue of state and local tax reform. Find out how the telecommunications tax committee got to where it is today, where it is heading, and how interested parties are reacting.

#### Virginia First Cities

Find out more about Virginia First Cities — who belongs, what the group is involved with and issues that may be of interest and relevance to other localities.

#### Nuts and bolts of the U.S. Senate Productivity and Quality Award Program

Learn the advantages and process for participating in the U.S. Senate Productivity and Quality Award Program (SPQA). Patterned after the Malcolm Baldrige National Quality Award, SPQA is an annual recognition of Virginia organizations that excel in performance, quality and customer satisfaction. Just the application process is useful because it includes the preparation of a report evaluating an organization's strengths and opportunities.

#### Ask a town attorney (town track)

An open-ended session for town officials to discuss a variety of pressing topics such as weed/junk/garbage control, town-county relations, street vacations, blight control and so forth. Bring your questions and be ready to participate in a lively discussion.

The Aug. 15 issue of *Update* reviewed the topics to be covered during the local government roundtable that will be held Tuesday, Oct. 21, from 1:30-3:00 p.m. Look for additional information on the section workshops, to be held Tuesday morning, and on the workshops that will be taking place concurrently with the local government roundtable, in the next issue of *Update*. ♦

## AT THE LEAGUE

### VML Legislative Committee to meet Sept. 12

**R**eview of policy committee recommendations, including tax restructuring and education funding, a briefing on the state's fiscal picture and a briefing on Gov. Mark Warner's education initiatives are among the agenda items for the next meeting of the VML Legislative Committee. The committee will meet Friday, Sept. 12, from 10 a.m. to 2:30 p.m. at the Greater Richmond Convention Center.

Bristol Council Member Jerry Wolfe chairs the 24-member committee, which is responsible for drawing up the league's

annual legislative program. This will be the committee's second of three scheduled meetings for the year. The final meeting will be held in conjunction with VML's annual conference in Roanoke on Oct. 19.

On Sept. 12, along with developing the legislative program, the committee will hear from Virginia Finance Secretary John Bennett, who will address the commonwealth's financial outlook, as well as from a representative from the governor's office, who will discuss education issues and forthcoming education initiatives. ❖

## ETCETERA

### FOIA workshops planned statewide

**A** series of workshops on the Virginia Freedom of Information Act will be held across the state beginning Sept. 8. Deadline for registration is Sept. 2. Registration after that date is on a space-available basis.

The program should be of interest to local government officials, including elected officials, attorneys, clerks and public information officers. The \$35 registration fee includes the cost of the seminar, a continental breakfast, a box lunch and handout materials.

Dates and locations of workshops are:

**Sept. 8.** Southwest Virginia Community College, Richlands.

**Sept. 9.** Virginia Western Community College, Roanoke

**Sept. 10** Blue Ridge Community College, Weyers Cave

**Sept. 12** Tidewater Community College, Virginia Beach Campus

**Sept. 16** General Assembly Building Senate Room B, Richmond

**Sept. 17** Northern Virginia Community College, Alexandria Campus

To register, print out the form at <http://dls.state.va.us/foiacouncil.htm> and fax to 804/371-0169. For more information, contact Bess Hodges at 804/786-3591. ❖

### FOIA guide to be distributed to VML members



**V**ML is publishing its annual FOIA Guide that contains an explanation of all changes to the act that affect local governments. It also has the full text of the act, with all changes made by the General Assembly in 2003 set out in bold type. The guide is a complement to last year's FOIA Guide. The complete explanation of the provisions of the act that affect local governments is set out in last year's guide.

VML will publish an update, full booklet or a full-explanation of the act along with the updated text each summer. By mailing the text of the act and an explanation of it to local officials, VML hopes further understanding of FOIA. In addition, the act requires each public official to have a copy of the text and to understand what it means.

Some of the principal changes to the act this year involve public safety and anti-terrorism issues. For example, individuals submitting building plans that contain critical information about the safety systems of the building may have that information kept out of public access by invoking a new provision. In addition, each building official is charged with putting in place procedures to keep from public view all parts of building plans that affect public safety for public and private buildings, whether or not the person submitting the plans asks for secrecy.

The publication should be in the mail by Sept. 12. It will be mailed to all elected officials of member localities and to the city or town manager or county chief executive of all member counties. ❖

## ETCETERA

## State seeks information on 9-11 observances

The Virginia Commission on National and Community Service is interested in learning of organizations that have scheduled volunteer events to commemorate the second anniversary of the Sept. 11 terrorist attacks.

The commission is a state organization supporting and promoting community service. If you know of a planned event, send an e-mail to: [scp900@dss.state.va.us](mailto:scp900@dss.state.va.us). ❖

## REGULATIONS

### Proposed Regulations

**Underground Storage Tanks; Technical Standards and Corrective Action Requirements.** The State Water Control Board has proposed amendments that (i) bring the underground storage tanks (UST) technical standards and corrective action requirements into agreement with the Code of Virginia and the federal UST regulation and (ii) delete the requirement for tank owners/operators to obtain a Corrective Action Permit from the department prior to initiating corrective actions. A public hearing will be held. Contact Fred Cunningham, Department of Environmental Quality, at 804/698-4285 or e-mail

him at [fkunningh@deq.state.va.us](mailto:fkunningh@deq.state.va.us) for additional information.

**Biosolids Use Regulations.** The State Board of Health has proposed action to amend 12 VAC 5-585-500 to provide requirements that would permit biosolids field storage. A public hearing will not be held. For more information, contact C. M. Sawyer, Department of Health, at 804/786-1755 or e-mail him at [csawyer@vdh.state.va.us](mailto:csawyer@vdh.state.va.us).

### Final Regulations

**Existing Stationary Sources.** The State Air Pollution Control Board has proposed a regulation that applies to small municipal waste combustors (SMWCs) and includes emission limits for particulate matter, carbon monoxide, dioxins/furans, hydrogen chloride, sulfur dioxide, nitrogen oxides, lead, cadmium, and mercury.

Special SMWC operator training and qualification requirements are included in order to assure proper facility operation and compliance with the emissions limitations. Compliance, emissions testing, and monitoring requirements are delineated, as well as recordkeeping and reporting of such test results. Finally, specific compliance schedules are provided, as well as exemptions for certain municipal waste combustion units. The following changes were made to the proposed regulation: 1) provisions intended to clarify the distinction between state and federal requirements are added or revised; 2) the compliance schedule is revised to reflect final federal plan requirements. A public hearing will not be held. For additional information, contact Karen Sabasteanski, Department of Environmental Quality, at 804/698-4426 or e-mail her at [kgsabastea@deq.state.va.us](mailto:kgsabastea@deq.state.va.us). ❖

## POSITIONS

### Longer version of job ads posted at [www.vml.org](http://www.vml.org)

Because of the number of requests it receives to publish job advertisements, VML reduces the length of the position descriptions in *Update*. A full version of all of the job listings published here for the past two months appears on VML's web site at [www.vml.org](http://www.vml.org). Click on "Marketplace" to read the complete descriptions.

### Director of Planning and Community Development, Louisa County

SALARY: DOQ (+) benefits. Responsible for land-use and planning policies as established by the planning commission and the board of supervisors, and zoning and subdivision administration. Reports to county administrator. Master's degree in planning or a related field req. Accreditation by AICP preferred. Submit resume with cover letter, including salary history and a

completed county application (which may be obtained by calling 540/967-0401 or by downloading from [www.Louisacounty.com](http://www.Louisacounty.com)), to C. Lee Lintecum, County Administrator, P.O. Box 160, Louisa, VA 23093. Open until filled. EOE.

### Historic Preservation Planner, Stafford

SALARY: \$34,382 (+) benefits. Develops historic preservation and community improvement programs; prepares grant applications and conducts fund-raising activities; makes recommendations to the Falmouth Renaissance Commission and other boards and community groups regarding historic preservation and community improvements. Submit required county application available at [www.co.stafford.va.us](http://www.co.stafford.va.us) or 540/658-4596 to: Stafford County, Human Resources, P.O. Box 339, Stafford, VA 22555; fax: 540/658-4597. Open until filled. EOE.

### Assistant City Manager, Hampton

SALARY: Negotiable DOQ. (Pop. 146,000) Annual bdgt. \$385 million; 2,000 FTEs. The

3 asst. city managers act as chief advisors to city mangr. Bachelor's in public or business admin. or related field. Master's preferred. Also: 8 yrs. executive mngmnt. exper. as assistant city/county mangr./admin. or as dept. director; extensive financial and bdgt. mngmnt. exper. Resume and city application to: Department of Human Resources, 22 Lincoln St., 4th fl., City Hall, Hampton, VA 23669, e-mail [hrdept@hampton.gov](mailto:hrdept@hampton.gov). Phone: 757/727-6345, FAX: 757/727-6449. Visit [www.hampton.gov/hr](http://www.hampton.gov/hr). Deadline: Sept. 16. EOE

### Director of Planning, Ashland

SALARY: \$45,992-\$68,988 DOQ/DOE (+) benefits. (Pop. 6,800). Comprehensive knowledge of land-use concepts, site development, comprehensive plan review/development, preparation of capital improvements plan, and administration of ordinances. Bachelor's in urban planning, public admin., or closely-related field (master's degree in planning and AICP certification preferred) and 5 yrs. of progressively responsible exper. working with planning and zoning in local

*Continued on page 11*

## POSITIONS

govt. Send cover letter, resume, salary history, and 5 professional references to Charles W. Hartgrove, Town Manger, P.O. Box 1600, Ashland, VA 23005. Deadline: Sept. 26. EOE.

### Inspections Supervisor, Danville

SALARY: \$34,636-\$54,220 DOQ. Performs intermediate technical work enforcing the Va. Uniform Statewide Building Code and city ordinances. Coordinates inspection division; inspects construction sites and records all inspections, deficiencies and instances of noncompliance; reviews proposed uses of premises and construction plans; assigns work and supervises, trains and evaluates personnel. Requires thorough knowledge of building, electrical, plumbing, mechanical, cross-connection, and property maintenance codes compliance enforcement. Apply: City of Danville, Human Resources Department, P.O. Box 3300, Danville, VA 24543 or the Virginia Employment Commission. Download application at [www.ci.danville.va.us](http://www.ci.danville.va.us). Deadline: Sept. 12. EOE.

### Director of Economic Development & Tourism, Prince Edward County

SALARY: \$32,000-\$52,000 DOQ. Provide leadership in the planning and implementation of an economic development and tourism development program. Direct a retention/expansion program for existing businesses, a recruitment program for new businesses and a tourism development program. Submit county application, resume with a 5-yr. salary history, and 3 professional references to: Mildred B. Hampton, "Confidential," County of Prince Edward, P.O. Box 382, 111 South St., 3<sup>rd</sup> Floor, Farmville, VA 23901. Applications and a complete job description are available in the county administrator's office, at 434/392-8837. Deadline: Sept. 30. EOE.

### Town Manager, New Market

Salary: DOQ (+) benefits. (Pop. 1,732). Administer full-service community with the following departments: police, planning/zoning, finance, public works, water/sewer utilities, park/recreation and tourism. 16 FT employees with a current year budget of \$3.6 million. Mail, fax or e-mail resumes with at least three job-related references and cover letter outlining applicant salary history to: Town Manager's Search, c/o Mayor Ripley R. Click, P.O. Box 58, New Market, VA

22844/Fax: (540)740-9204/E-mail: [rrclick@shentel.net](mailto:rrclick@shentel.net). Deadline: Sept. 5. EOE.

### Deputy County Administrator, Rockingham

SALARY: DOQ/DOE (+) benefits. (Pop. 70,000) Provides direct assistance to county administrator. Provides leadership to county govt. through day-to-day oversight of dept. heads, and through working arrangement with constitutional officers, citizens and business community. Must have demonstrated leadership experience in local government. Send resume with references to S.N. Riddlebarger, Director of Human Resources, Rockingham County, P.O. Box 1252, Harrisonburg, VA 22803 or e-mail [sriddlebarger@rockinghamcountyva.gov](mailto:sriddlebarger@rockinghamcountyva.gov). Open until filled. EOE.

### Administrative Assistant / Purchasing Agent, Ashland

SALARY: \$25,609-\$38,415 DOQ/DOE. Performs purchasing responsibilities for the town and provides some administrative support in the town manager's office. Prepare commodity specifications and solicit bids from vendors; analyze bids and make recommendations on products. Also involves minor computer and telephone maintenance, researching data, preparing various reports, and maintaining records and files. Application available at Ashland Town Hall, 101 Thompson St., Ashland, VA 23005 or by calling 804/798-9219 or E-mail: [Cbarnett@town.ashland.va.us](mailto:Cbarnett@town.ashland.va.us). Deadline: Sept. 5. EOE.

### Economic Development Director, Saltville

SALARY: Negotiable / DOQ (+) bonuses & benefits. Responsible for recruiting new industry, assisting existing firms and coordinating activities related to business and community development. Requires frequent travel. Qualifications: graduation from accredited college or university (prefer courses in business, planning or finance.) Prefer experience in business and industrial development. Resumes must be submitted to: Town of Saltville, P.O. Box 730, Saltville, VA 24370. Contact: Amy McVey, Clerk-Treasurer, 276/496-5342 ext. 25. E-mail: [saltville.amcvey@netva.com](mailto:saltville.amcvey@netva.com). EOE.

## Other positions

**NOTICE:** The following positions also are listed on VML's Web site at [www.vml.org](http://www.vml.org).

### Town Manager, Bowling Green

SALARY: DOQ (+) benefits. Deadline: Sept. 30.

### Director of Parks and Recreation & Leisure Services, Charlottesville

SALARY: Mid \$80,000s-low \$90,000s. Deadline: Sept. 22.

### GIS Technician / Zoning Administrator, Bluefield

SALARY: DOQ. Open until filled.

### Computer Technician, Bedford

SALARY: \$24,804-\$35,047 (+) benefits DOQ. Open until filled.

### Regional Jail Superintendent, Albemarle-Charlottesville Regional Jail

SALARY: \$85,000 midpoint of range DOE (+) benefits. Deadline: Sept. 15.

### Deputy County Administrator, Stafford

SALARY: Up to \$112,000 DOQ (+) benefits. Open until filled.

### Program & Project Coordinator (Engineering), Herndon

SALARY: \$38,605-\$48,962 DOQ. Open until filled.

### Director of Social Services, Portsmouth

SALARY: \$62,044-\$95,000. Open until filled.

**DEADLINE:** The deadline for placing a job advertisement in the next issue of Update is Friday, Sept. 5. Submit ads via e-mail to David Parsons at: [dparsons@vml.org](mailto:dparsons@vml.org). You may also submit via FAX at: 804/343-3758. VML publishes job advertisements at no cost to its local government members. Non-members are charged a flat rate of \$25 per ad per issue, which includes posting on VML's web site and publication in Virginia Town & City (deadlines permitting). VML edits position descriptions in printed publications because of space limitations.

# Update

The newsletter of the  
Virginia Municipal League

P.O. Box 12164 • Richmond, VA 23241



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