

2012 Legislative Program Virginia Municipal League

Parks Animal control Police Elementary schools Building code enforcement Recreation leagues Libraries Water and sewer systems **Public transportation High schools** Fire services Health clinics **Garbage collection** Storm water utilities Behavioral health services Traffic control After-school programs Landfills **Economic development Street lights Jails Building inspections Emergency medical services Housing authorities** Services for at-risk youth **Community centers** Middle schools Parking enforcement Hazardous materials response **Bookmobiles Historic preservation Building permits Community festivals** Medicaid eligibility

E-911

Dear Legislator,

The fallout from the Great Recession continues unabated for cities, towns and counties across Virginia. While state revenues have been rebounding for more than a year-and-a-half, local government revenues continue to slump, primarily because of a moribund real estate market. Regrettably, it appears that real estate values will remain depressed throughout the next two-year state budget cycle. Further, the federal stimulus funding that has propped up local and state budgets is disappearing.

Because cities, towns and counties are so dependent on real estate tax revenue to fund basic services, the collapse and stagnation in real estate values has been punishing. In addition, extensive cuts in state funding for state-mandated programs carried out by local governments have made matters even worse. Local governments have responded by laying off workers, drawing down reserves and postponing essential maintenance and capital projects.

Healthy, robust communities are essential to the economic well-being of the Commonwealth. Allowing them to wither will weaken any recovery and stunt job creation. Please stop shifting state costs to local taxpayers and refrain from restricting the ability of local governments to raise revenues. Doing so would begin to repair the strained state-local partnership that exists today.

VML will focus its legislative efforts during the upcoming session on ensuring that our communities are in the best possible position to grow and prosper. As such, VML will oppose passage of the current version of the constitutional amendment on eminent domain. We believe that the wording of the amendment is flawed. It will result in unintended consequences that will stifle development, limit job creation and increase the cost of private and public construction.

We pledge to work with you in the days ahead to better serve our citizens in every way possible.

Sincerely,

R. Michael Amyx Executive Director

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by VML membership at the annual business meeting held Oct. 4, 2011

VML supports three overarching goals for its legislative efforts and three overarching positions, as follows:

Government reform

State government must make clear to the citizens of Virginia and to local government officials those core services the Commonwealth plans to provide and those services the state expects local governments to provide. The state must make it clear how services are to be funded and how the effectiveness of core services are to be evaluated. The state must meet its financial responsibility and never hinder the ability of local governments to fulfill their constitutional and legal obligations to provide the core services mandated by the state and expected by the citizens of Virginia.

Honoring commitments

The Commonwealth must provide sufficient resources to pay its share of mandated services. Absent that, the state should provide local governments with the authority to raise the necessary funds, provide localities with the program flexibility that encourages performance over administrative compliance, or modify the mandate's requirements to better match public expectations and available dollars.

Prosperous communities

Local governments are the governmental units closest to the citizens. Local governments have the responsibility to carry out an array of governmental functions to serve the citizens, including education, police protection, emergency services, growth management, human services, providing clean public areas, recreation, street construction and maintenance, water, sewer and solid waste services.

The policies of the Commonwealth, enacted by the General Assembly and executive branch must enable local governments to efficiently and fairly provide those services and must enable local governments to raise the funds necessary to provide the services the citizens of Virginia expect and deserve.

The priority issues for VML for the 2012 session are:

State budget & local revenues

The member local governments of the Virginia Municipal League hold the following principles on state budget issues.

The Governor and General Assembly should not:

- 1. Further restrict local revenue authority or sources.
- 2. Impose new funding requirements or expand existing ones on services delivered by local governments.
- Shift state funding responsibilities onto local governments, including law enforcement and public safety activities.
- Impose state fees, taxes or surcharges on local government services.
- Place additional administrative burdens on local governments.

The Governor and General Assembly should:

- 1. Immediately examine state requirements and service expansions to determine those that can be suspended or modified to alleviate some of the financial burden on state and local taxpayers.
 - Here are three specific examples of what the state needs to do:
 - Critique the Standards of Accreditation and Standards of Learning to determine which standards impose costs on local governments that are not recognized in state funding formulas. These standards should be suspended until the state meets its funding commitment. An example would be the recently imposed requirement for all 7th grade students to have an individualized academic and career plan.
 - Re-examine those Standards of Quality that
 the Board of Education has adopted, but that
 the General Assembly has not funded. These
 standards reflect prevailing practices necessary to
 improve children's academic performance. Their
 academic performance is crucial to students and
 schools meeting the accountability standards
 under the SOL and SOA. If funding is not
 available to pay for prevailing practices, the
 accountability standards should be adjusted so
 that local governments are not in the position of

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having to bear the entire burden of meeting these unfunded mandates.

- Empower local governments to deal with the problem of stormwater runoff resulting from construction activities. Local governments require the authority to review, inspect and maintain stormwater best management postconstruction practices. Further, local governments require the authority to adopt their own fee schedules designed to meet local needs.
- 2. Develop spending and revenue priorities. State tax credits, tax deductions and tax relief policies must receive the same scrutiny as spending programs.
- 3. After all other actions have been taken including eliminating unnecessary programs, achieving greater program efficiencies, and streamlining service delivery, the state has the obligation to look at ways to increase revenues in order to meet its constitutional and statutory obligations to Virginia citizens.

Reductions in aid to localities ("local aid to the commonwealth")

VML supports a budget amendment to reverse the \$60 million-a-year reduction included in the FY12 budget, and supports eliminating this across-the-board reduction in any future budgets.

Water Quality Funding

Virginia's local governments face mounting costs for water quality improvements for sewage treatment plants, urban stormwater, combined sewer overflows (CSOs), and sanitary sewer overflows (SSOs). In response to federal and state legislation, regulation and policies, VML urges the federal government and the Commonwealth to provide adequate funding for these water quality improvements.

VML supports dedicated and adequate state appropriations to the Water Quality Improvement Fund to make full and timely payments under point source upgrade contracts with local governments. Additionally, VML requests the General Assembly to address costs associated with the permit requirements of Municipal Separate Storm Sewer Systems (MS4) and new EPA regulations.

Retirement benefits

VML supports the authority of local governments to determine their retirement decisions, including the selection of a defined benefit or a defined contribution plan. Further, local governments should have their own representatives at the table during discussions of VRS funding and plan design at the state level.

VML supports legislation to allow local governments the option of requiring Plan1 employees (those hired before July 1, 2010) to pay up to the 5 percent member contribution, provided an equivalent or greater salary increase is given.

Eminent domain constitutional amendment

The General Assembly should not approve a resolution to call for a vote on a constitutional amendment to limit the use of eminent domain. The amendment is unnecessary and will harm Virginia's citizens by severely limiting the ability of local governments and the state to carry out projects that help improve life for the Commonwealth's population, due to the amendment's language on lost access, lost profits and the loss of eminent domain where economic development, increasing jobs and increasing taxes are involved.

Uranium mining

Uranium mining, milling and waste disposal of generated wastes poses potential health and environmental problems for Virginians. Prior to uranium mining activities being permitted in Virginia, VML supports studies, including those currently underway, that would evaluate the impacts of radiation and other pollutants from mill tailings on (1) downstream water supplies; and (2) the health and safety of uranium miners.

VML supports the current moratorium on the mining and milling of uranium in the Commonwealth of Virginia until studies demonstrate that it is safe for the environment and health of citizens. Any studies must include, but not be limited to, modeling and simulation studies that show the consequences of probable maximum precipitation storms on containment cells.

Additionally VML recognizes the importance of allowing sufficient time to analyze the results of the National Research Council (NRC) study to be completed in December 2011. Any legislation to lift the moratorium should not be introduced in the 2012 legislative session.

The following comprise the balance of the VML legislative program for the 2012 session.

ABC privatization

VML opposes privatization of the sale of liquor unless local governments will have full authority to apply zoning laws to businesses selling liquor and retain full authority to par-

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ticipate in the ABC licensing process of those businesses and of transfers of licenses. Further, if privatization occurs, the licensing process must fully accommodate the ability of small, minority and women-owned businesses to procure licenses, and not be priced out by large corporate interests. VML opposes any legislative effort to supersede local authority to impose and collect taxes related to the sale of alcohol. Moreover, state revenues from liquor that support behavioral health and other state services must be maintained on an annual basis at no less than current levels. If the state receives any profits from privatization, a portion of such money should be distributed to Virginia's cities, towns, and counties similar to the revenues promised by Virginia Code Section 4.1-117.

Receivership as a blight-remediation tool

The General Assembly should enact receivership legislation to allow local governments to work with owners of blighted properties, private developers and other private groups to return those properties to a useable condition.

Communications sales and use tax

VML supports legislation to reclassify the communications sales and use tax as a local, not state, tax.

Transient Occupancy Tax and on-line travel companies

VML supports state legislation to ensure that transient occupancy taxes are based on the cost of the room as paid for by the customer. On-line travel companies collect and remit transient occupancy taxes based on the whole room price that hotels and motels charge them, and not on the room price charged to the consumer.

Line of Duty benefits

VML supports efforts to return funding responsibility for the Line of Duty program to the state. Should local government be required to pay these benefits, VML supports legislative changes to allow local governments to have the authority to establish these benefits.

Dangerous weapons in government buildings

The Virginia Municipal League supports legislation to allow local governments to prohibit or restrict the carrying of dangerous weapons in city and town halls, county administration buildings, public libraries, public community and recreation centers and public convention/conference centers.

Education funding

A strong public school system is essential to economic development and prosperity. The state must be a reliable funding partner in accordance with the Virginia Constitution and state statutes. The Standards of Quality should recognize the resources, including positions, required for a high-quality public education system. VML opposes changes in methodology and changes in the division of financial responsibility that result in a shift of funding responsibility from the state to localities. As an example, VML opposes the elimination or decrease of state funding for state-mandated benefits for school employees.

Further, VML opposes policies that lower state contributions but do nothing to address the cost of meeting the requirements of the Standards of Accreditation and Standards of Learning. The State Board of Education should identify areas within the Standards of Quality and other educational requirements that can be modified or eliminated in order to provide localities with greater flexibility in their use of scarce education funds.

Definition of school age population

VML supports legislation to remove college students from the definition of school age children.

Psychiatric services for children and adolescents

A comprehensive plan for children's behavioral health services in Virginia should include continued state support of high-quality acute inpatient psychiatric services at the Commonwealth Center for Children and Adolescents. Services at the Commonwealth Center should include the use of telemedicine, training for community services providers, and technical assistance to help communities with diagnostic and treatment questions. Further, any expansion of the array of statewide basic community-based services must be accompanied by full state funding for such services.

Transportation funding

VML supports a transportation funding plan that is comprehensive and addresses investment across the state. Critical to this plan is a new dedicated and ongoing source of non-general fund revenue to support \$65 billion dollars in transportation needs as identified in VTrans2035, Virginia's statewide long-range multimodal transportation plan.

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Street maintenance Public health Neighborhood preservation Recycling **Animal shelters** Cable television franchises **Sidewalks** Child protective services **Courts Zoning enforcement** Farmers' markets **Engineering Consumer protection** Green Government Street sweeping **Social services Industrial development Paratransit** Fire marshal **Electric utilities** Comprehensive planning Senior citizen programs Community development **Main Streets** Kindergarten **Elections administration** Adult protective services Welfare administration **Iuvenile detention County fairs** Natural gas utilities **Airports** Citizen boards and commissions



The Virginia Municipal League is a statewide, nonprofit, nonpartisan association of city, town and county governments established in 1905 to improve and assist local governments through legislative advocacy, research, education and other services. The membership includes all 39 cities in the state, 156 towns and 10 counties.



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