



BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

February 29, 2024

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Publications

Virginia Town & City
eNews
VML Voice Podcast

The Honorable Luke Torian, Mark Sickles, David Bulova, Betsy Carr, Terry Austin, Robert Bloxom - Virginia House of Delegates

The Honorable Louise Lucas, Creigh Deeds, Mamie Locke, Jennifer Boysko, Ryan McDougale, Todd Pillion - Senate of Virginia

Dear Budget Conferees:

As you work to reconcile the differences between the House and Senate Budgets, we want to bring to your attention some issues of critical importance to the cities, towns, and counties represented by the Virginia Municipal League (VML).

Our top priorities for reconciliation in the budget conference are:

- **Hold harmless for grocery tax.** We ask that you restore full funding for the annual hold harmless payments agreed to less than two years ago upon elimination of the statewide grocery tax. This is recognized in the Senate budget (Item 125 #3s). These payments are critical as our schools continue to recover from the lingering effects of the pandemic on K-12 education. We respectfully ask that a final budget recognize and honor the commitment made in 2022 to provide these ongoing payments, consistent with the *Code of Virginia*.
- **Water Quality Improvement Fund (WQIF).** We also ask you to support the House approach on WQIF funding (Item C-53.50 #1h) to provide \$400 million over the biennium for the fund. This would meet the State's WQIF grant agreement obligations. Since its establishment in 1997, the General Assembly has never failed to adequately fund the WQIF. Failure to provide this funding would shift the state's \$400 million obligation to local ratepayers for the first time in the WQIF's nearly 30-year history.

We thank you for recognizing the unique needs of local governments when assembling your respective budgets, especially in K-12 education, and appreciate the significant funding increases for teacher salaries, at-risk funding, and English-language learners. We also greatly appreciate the additional funding in each budget to address the STEP-VA program and CSB workforce needs as well as funding for a local social services training academy to better develop and retain these critical staff.

Finally, we were disappointed that the introduced budget included no funding increase for the state assistance to local police departments program (HB 599) and would appreciate your consideration in boosting state funding to help *all* of the 174 cities, towns, and counties with police departments. The Senate budget includes a narrower amendment to boost funding to a select group of localities.

Once again, thank you for the hard work put in by your members and committee staff to craft a budget that meets the many needs of our Commonwealth. Please email me at mgowdy@vml.org if VML can be of any assistance to you.

Sincerely,

Michelle Gowdy
Executive Director

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cc: Anne Oman, House Appropriations Staff Director
April Kees, Senate Finance & Appropriations Staff Director