

2010 GENERAL ASSEMBLY HIGHLIGHTS



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Planning District Commission

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Representing the Local Governments of:

**Albemarle County
City of Charlottesville
Fluvanna County
Greene County
Louisa County
Nelson County**

**Carl Schmitt, *Chairman*
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TABLE OF CONTENTS

Budget Summary	p. 3
Approved Legislation	p. 7
Local Legislative Priorities	p. 7
Environment	p. 7
Finance	p. 8
Human Services	p. 9
Land Use	p. 9
Local Government	p. 10
Public Safety	p. 12
Transportation	p. 12
Miscellaneous	p. 13
Studies and Resolutions	p. 15

BUDGET SUMMARY

Overview

The General Assembly adjourned the 2010 legislative session one day late, after approving changes to the FY10 budget and adopting a FY11/FY12 state spending plan that slashed hundreds of millions of dollars from public education and other state programs and services. Blocking the path to an on-time agreement were differences over available revenues (the Senate supported more user fees than the House) and state funding for public education (the House included more K-12 reductions than the Senate). The approved budget includes nearly \$100 million in fees, which is slightly less than the \$145 million proposed in the introduced budget and considerably less than envisioned by the Senate. The final version, as expected, included numerous budget reductions and cost-shifting to local governments.

A huge piece of the budget can be found in the restoration of \$950 million each year in state payments to localities for the Personal Property Tax Relief Act, which was proposed for elimination in the introduced budget in lieu of a 1% income tax for localities for car tax relief. The plan also includes a \$120 million reduction in aid to localities (\$60 million each year), similar to current budget provisions of \$50 million annually. The Department of Planning and Budget will provide each locality with an estimate of state payments it will receive; by August 30, localities choose whether to achieve reductions from a single program, from a percentage reduction in all state payments received, or to reimburse the state and forego any reductions.

Another budget issue that loomed large for localities was the communications sales and use tax. The budgets (for FY10, FY11 and FY12) include provisions that the communications sales tax (\$460 million each year) be appropriated as nongeneral funds. Since the adoption of the 5% tax in 2006, these funds have been distributed directly to localities without being appropriated by the General Assembly, thus not being subject to diversion for other uses. A language amendment to clarify the intent that all communications sales and use tax revenue be distributed to counties, cities and towns (after other distributions, as per the current law) was recommended by the governor and adopted. The spending plan does not seize any of these funds for other purposes, as had been proposed in the House version of the budget.

The General Assembly held its one day “reconvened” session on April 21 to consider amendments to bills and the budget proposed by Governor McDonnell. The governor now has the power to veto any particular item or items that are contained in the appropriations act.

BUDGET PRIORITIES

Public Education

The introduced budget reduced direct aid to public education by nearly \$400 million (\$290 million in FY11 and \$103 million in FY12). The adopted spending plan slashes K-12 education funding an additional \$253 million. The final plan does provide \$29.5 million in FY11 to unfreeze the Local Composite Index (LCI), reversing the introduced budget provision. A 100% hold harmless for school divisions whose LCI is increasing is included in FY11 (\$116.5 million) and a 50% hold-harmless is provided in FY12 (\$57.6 million).

The spending plan restores VPSA technology grants proposed for elimination, ensuring distribution of over \$57 million in each year by providing \$13.5 million (from the Literary Fund) to pay debt service in FY12 on the equipment notes. It eliminates the interest rate subsidy grants program, funded by the Literary Fund and targeted for school construction projects, for the 2010-2012 biennium. In all, the budget transfers a total of nearly \$263 million from the Literary Fund to pay for teacher retirement.

The state “saves” millions of dollars through the following actions that shift costs to localities by making some spending ineligible for state reimbursement, or lowering the amount of the payback: 1) \$38.7 million over the biennium by modifying the federal revenue deduction methodology percentage from 29.8% to 37.6% (FY11) and 37.4% (FY12) for Standards of

Quality (SOQ) funded support costs as a percentage of total SOQ costs; 2) \$34.1 million over the biennium by reducing textbook funding approximately one-third each year (state textbook funding of nearly \$80 million was eliminated for the last half of FY10); 3) \$19.5 million over the biennium by extending the formula for school bus replacement from 12 to 15 years; 4) \$69 million over the biennium by eliminating certain expenditures from the non-personnel support services (staff travel, leases/rental, capital outlay replacement and certain annual/sick leave costs) calculations; and 5) \$80 million over the biennium by including zero values in linear weighted average calculations of prevailing non-personal support costs.

Concerning teacher retirement, the adopted budget includes state savings/deferral of \$346 million due to lower benefit contribution rates for the 2010-2012 biennium (localities also will realize savings). It funds the teacher retirement rate at 3.93% the first year and 5.16% the second year; the retiree health care credit at 0.6% both years; and group life at 0.28% both years. Also, budget language requires the Virginia Retirement System (VRS) to calculate a separate employer contribution rate for 2012-2014 that recognizes the deferred 2010-2012 payments. The state is to begin paying that supplemental rate in FY13 (cost estimated at \$74 million/year for 10 years). The plan also reduces health care premium support for school personnel to reflect actual participation in the health insurance program (about 66% participation), saving the state approximately \$135 million each year.

The spending plan includes language to temporarily allow maximum class sizes to increase by one (in grades K-7 and in grades 6-12 English classes), and waives staffing requirements for various programs, including prevention/intervention/remediation programs, elementary resource teachers, ESL and gifted, career and technical programs; ratio for new hires in instructional and support technology, librarians, and guidance counselors also are waived.

The budget continues the cap on state funding for support personnel that began in FY10. It eliminates enrollment loss funding (\$16 million) and targets the K-3 Class Size Reduction program only to schools with greater than 30% free lunch eligibility (saves \$48 million). It transfers Remedial Summer School, English as a Second Language and a portion of textbook funding to the Lottery account, freeing up state general funds of \$87.3 million in FY11 and \$77.5 million in FY12. Various reporting requirements are eliminated (four reports as proposed by the Department of Education). Reimbursements for school breakfasts are increased by 10%, from 20 cents per meal to 22 cents.

Health and Human Services

State funding for the Comprehensive Services Act (CSA) took a big hit. The introduced budget reduced CSA funding by more than \$70 million, then the legislature reduced funding even more by anticipating less utilization of CSA services (\$2 million reduction in FY11), and via a provision, beginning July 1, 2011, that the local match rate for Medicaid residential services for each locality be 25% above the fiscal year 2007 base (saves the state \$4 million). The budget also removes the \$200,000 hold harmless for local governments before the greater match rate for non-Medicaid services takes effect. Fortunately, an amendment proposed by the governor to reduce CSA by another \$10 million and to cap state expenditures for the program was rejected.

The approved budget agreement devotes all \$370 million in discretionary Federal Medical Assistance Percentage (FMAP) funding for health and human resources programs, including \$142 million to restore rate reductions for most providers including hospitals, nursing homes, physicians and dentists. Funding reductions are included for local social services departments (\$4.6 million each year); for chore and companion services provided through the social services block grant (\$1 million each year); for social services purchased through local departments of social services (termed "other purchased services," at \$1 million the first year and \$2.75 million the second year); and a second year reduction in the rates for assisted living facilities under the auxiliary grant program. Some of this funding would be restored if Congress passes an extension of FMAP through June 30, 2011.

State funding for auxiliary grants is reduced by \$400,000 each year, based on anticipated lower use; local savings on the 20% match would follow.

Budget language directs the Secretary of Health and Human Resources to examine options and incentives for workload simplification and efficiencies in the local human services delivery system. Language also requires a report on the operation of publicly-funded behavioral health and developmental services system.

Public Safety

The budget uses nearly \$170 million to restore funding for local constitutional offices. This includes \$92.5 million to restore funding for sheriffs and regional jails (restores all of the reductions proposed in the introduced budget for FY11 and reduces the reduction in FY12 to 3%), including staffing of law enforcement deputies at 1:1,500 of local population. It also provides the following:

- \$15 million to restore funding for commonwealth's attorneys
- \$18 million to restore funding for circuit court clerks
- \$9.2 million to restore funding for local finance directors
- \$15 million to restore funding for local commissioners of the revenue
- \$14.4 million to restore funding for local treasurers

Language contained in the introduced budget that would have allowed counties and cities to establish finance offices to assume duties of treasurers and commissioners of revenue is deleted. The budget includes an additional 20% reduction in compensation for local electoral boards and local registrars.

The spending plan provides \$178.7 million in FY11 for HB 599 state aid to localities with police departments (a reduction of 1.2% below the FY10 amount, and 4.8% below the statutorily-required amount). This represents an increase of \$22.3 million above the introduced budget for FY11. For FY12, the budget proposes funding of just over \$160 million.

The budget reduces per diem payments for maintenance of prisoners in local and regional jails by about \$43 million over the two years, mostly by changing the rates paid to local and regional jails for housing inmates. It also reduces funding for the Virginia Juvenile Community Crime Control Act by \$10 million over the biennium; of the \$22 million remaining, nearly \$2 million is diverted for the Virginia Commonwealth Challenge Program.

The budget significantly changes the funding mechanism for the Line of Duty Act, by transitioning from a state general fund appropriation to one that funds the benefit in future years with premiums charged to state agencies and localities, based on the number of employees potentially eligible to receive program benefits. Funding for benefits paid out in FY11 would be from cash borrowed from the VRS group life program, with premiums collected from employers beginning in FY12. Localities can opt out of the program by July 1, 2011, but must provide Line of Duty benefits to its employees at local expense.

The final budget directs establishment of a task force to examine the ramifications of changing the definition of state-responsible offenders from felons with sentences of one year or more to felons with sentences of two years or more (language requiring this change was included in the General Assembly-adopted budget, but removed with approval of the task force language proposed by the governor). Additional budget language requests the Board of Corrections to measure the capacity of each local and regional jail based on double-bunking. The Committee on District Courts is to develop policies to reduce the number of misdemeanor charges that seek jail time, which could reduce local jail populations.

Environment

The budget takes several actions in the area of environmental fees. The Waste Management Board is directed to adopt regulations that establish fees to cover no more than 60% of direct costs for solid waste permits; the Department of Environmental Quality also is charged with convening a stakeholder groups to make recommendations on the fee structure. Likewise,

the State Water Control Board is directed to establish fees to cover no more than half of the direct cost for water permits. The initial fees will be exempt from the Administrative Process Act and are scheduled to take effect July 1. The budget provides for a \$10 increase in the deed recordation fee, with \$9.1 million each year of the revenue generated to be sent to a sub-fund of the Water Quality Improvement Fund for agricultural best management practices.

The budget reduces funding by \$1 million in the cooperative extension area and requires a report on Virginia Cooperative Extension's strategic planning process and other items, including restructuring and consolidation of local offices in a financially and logistically beneficial way, while preserving delivery of critical programs. It also removes \$300,000 in general funds each year that was directed to matching grants to localities with purchase of development rights programs.

Miscellaneous budget provisions and budget language

Also included among the new fees were a \$2 increase (to \$6.25) in the "\$4 for Life" fee on vehicle registrations, generating \$25.2 million over the biennium for State Police and the general fund; and a drivers license reinstatement fee following certain DUI convictions, generating \$18 million to assist trauma centers.

The final budget also provides for the following:

- Reduces state funding for public libraries by 15%
- Maintains the current level of state support for drug courts
- Contains a 15% reduction for most planning district commissions (including TJPDC), though there are larger reductions for a handful of planning district commissions in other areas that were receiving more state dollars or supplemental funding
- Includes language to allow political subdivisions to participate in a workforce transition program to allow greater retirement benefits for employees involuntarily terminated or laid off due to budget reductions and downsizing. The program would require continuance of employer-paid health insurance for one year and includes allowances for purchase of service credit in some instances. To establish such a program, a local governing body must act by resolution; a school board's resolution must include a local governing body resolution as well. Costs of the program will be factored into employer contribution rates beginning in 2011.

The budget contains several language amendments in the area of transportation:

- 1) Language allows the Commonwealth Transportation Board (CTB) to allocate up to 20% of transit capital funding to transit operations, if funds available for operating expenses are projected to be less than the current fiscal year.
- 2) Language directs the Secretary of Transportation to do the following: a) consider downsizing or eliminating the Virginia Transportation Research Council; and b) review Virginia Department of Transportation (VDOT) vegetation management policies with the objective of evaluating cost savings associated with limiting mowing and removal of vegetation.
- 3) Language authorizes the use of rail enhancement funds for the on-going pilot project for passenger rail from Lynchburg/Richmond to Washington, D.C. Under the existing DRPT six-year improvement program, mass transit grants, not rail funds, were being used. The amendment eliminates language contained in the introduced budget that would have prohibited passenger rail service in these corridors if individual stations were not within a designated urban development area.

APPROVED LEGISLATION

Local Legislative Priorities

The General Assembly approved a handful of measures submitted by the region's legislators at the request of or of particular interest to TJPD localities:

HB 436 (*Toscano*) and **SB 291** (*Deeds*) authorize donations by localities to non-profit entities that promote energy efficiency or that provide energy efficiency services.

HB 751 (*Toscano*) and **SB 292** (*Deeds*) revise the City of Charlottesville charter to eliminate the requirement that the clerk of council reside in the city.

SB 172 (*Deeds*) adds Nelson County to the list of counties where the unposted maximum speed limit on nonsurface treated highways (gravel roads) will be 35 miles per hour.

Following are highlights of approved legislation in the areas of the environment, finance, human services, land use, local government, public safety and transportation. Approved studies and resolutions also are summarized.

Environment

HB 82 (*Knight*) allows any locality under certain orders issued by the Virginia Department of Environmental Quality (DEQ) to adopt a schedule of civil penalties for violations of ordinances governing the introduction of pollutants and wastes into the locality's public sewer system.

HB 515 (*Rust*) prohibits localities from regulating the location of wetlands and stream mitigation projects that are subject to a Virginia Water Protection Permit or a U.S. Army Corps of Engineer § 404 permit; however, a locality may continue to determine the allowed uses within its zoning classifications.

HB 552 (*D.W. Marshall*) allows a failed, on-site sewage system for an existing building to be replaced, if in compliance with Health Department regulations and if no public sewer available.

HB 619 (*Orrock*) removes local authority to impose a \$1,000 civil penalty on a person who engages in a land-disturbing activity without having an approved plan, in lieu of any violation of any provision of a local water control program, permit condition, erosion and sediment control regulation or state order being subject to a civil penalty of \$100 to \$1,000.

HB 1220 (*Hugo*) and **SB 395** (*Wagner*) stipulate that the technical criteria and local program provisions of the state's stormwater management regulations shall become effective within 280 days after the establishment by the Environmental Protection Agency (EPA) of the Chesapeake Bay-wide Total Maximum Daily Load (TMDL), but in any event no later than Dec. 1, 2011.

HB 1221 (*Bulova*) provides that loans may be made from the Virginia Water Facilities Revolving Fund to a local government for stormwater runoff control best management practices, but only after loan requests for eligible wastewater treatment facilities have been satisfied.

SB 110 (*Peterson*) allows local governments to securitize loans for initial acquisition and installation of clean energy improvements, by placing liens against any property where such clean energy systems are being installed. Localities also are allowed to package these types of loans for transfer to private lenders in such a way that it would allow the liens to remain in full force to secure the loans.

SB 569 (*Ticer*) creates a State Water Supply Plan Advisory Committee to assist DEQ develop, revise and implement the state water resources plan. Among its charges are to examine procedures for incorporating local and regional water supply plans into the state water resources plan and to develop methodologies for calculating actual and anticipated future water demand.

Finance

HB 200 (*Alexander*) limits application of the tax levied on property in a service district to classes of property the locality deems would benefit from the services provided as a result of the tax.

HB 284 (*Merricks*) removes the requirement that public funds be invested in certificates of deposit.

HB 409 (*Oder*) and **HB 713** (*Peace*) require an individual seeking a local business license to provide their state license or certification number, or evidence that a license is not required. The locality shall not issue the local license if the applicant cannot meet one of these requirements.

HB 580 (*Cole*) allows localities to exempt certain members who have served in authorized sheriff's volunteer citizen support units from local vehicle license fees.

HB 754 (*Janis*) and **SB 441** (*Saslaw*) repeal the current E-911 fee on prepaid wireless service, replacing it with a new prepaid wireless E-911 fee of \$0.50 on each retail purchase of prepaid wireless calling service that allows access to the 911 system. The Department of Taxation is charged with establishing guidelines to implement this measure. The measure is applicable on transactions after January 1, 2011.

HB 756 (*Stolle*) requires that all future revenues and royalties paid to the State as a result of offshore natural gas and oil drilling be distributed as follows: (i) 70% to the Transportation Trust Fund, (ii) 20% to the Virginia Coastal Energy Research Consortium, and (iii) 10% to localities for improvements to infrastructure and transportation.

HB 892 (*Barlow*) requires a VRS member to be vested (five years of service) before being eligible to withdraw that portion of his accumulated contributions made by his employer on his behalf after July 1, 2010.

HB 985 (*Jones*) and **SB 90** (*Quayle*) exclude from the gross receipts of a security broker or dealer for the purposes of the BPOL tax, any amounts paid to an independent registered contractor as a commission on any sale or purchase of a security.

HB 999 (*Nutter*) creates as a separate class of property, improvements to real property designed and used primarily for the purpose of manufacturing a product from renewable energy, for rate purposes.

HB 1189 (*Putney*) and **SB 232** (*Watkins*) revise the VRS defined benefit retirement programs for new employees hired on or after July 1. Significant provisions are as follows:

- A mandatory 5% employee contribution is required for new state employees; localities and school divisions will have the option of requiring new employees to pay up to 5% and on a phased-in basis not to exceed six years
- Average final compensation will be based on the highest 60 consecutive months, rather than the current 36 months
- The benefit multiplier remains at 1.7% of compensation
- The 50 years of age/30 years of service provision for early unreduced retirement is replaced with a “rule of 90” provision (age plus years of creditable service must equal or be greater than 90)
- Normal retirement age is linked to Social Security normal retirement age with five years of service
- Early reduced retirement is set at 60 years of age with at least five years of service
- There is a new formula for calculating the post-employment cost of living adjustment (COLA), which guarantees the first 2% of CPI and a one-half percent increase for the next 8%, with a maximum of 6% total.

HB 1301 (*Lohr*) and **SB 355** (*Obenshain*) classify short-term rental property as a separate classification of merchants’ capital, and authorizes localities to tax short-term rental property under the merchants’ capital tax or under the short-term rental property tax, but not both. The bill also declares that short-term rental property does not constitute tangible personal property for purposes of local taxation.

HB 1356 (*Lewis*) specifically adds campgrounds and bed and breakfast establishments to the list of businesses renting real property that are subject to the BPOL tax.

SB 233 (*Watkins*) extends, through 2011, the \$50,000 limitation on the amount of Land Preservation Tax Credits that may be claimed on income tax returns. Current law provides for an increase to \$100,000 in tax year 2011.

Human Services

HB 195 (*Cosgrove*) reduces the period of time a person must wait before being reappointed to a community services board from three years to one year from the end of the last three-year term for which the member was eligible to serve.

HB 514 (*Rust*) and **SB 410** (*Vogel*) require the Secretary of Health and Human Resources to coordinate and develop a blueprint for livable communities and long-term services and supports for older Virginians and people with disabilities.

HB 718 (*Peace*) requires the State to develop a plan to increase the safe and permanent placement of children with families to reduce the number of children in foster care by 25% by 2020.

HB 921 (*R.B. Bell*) requires that all records related to certain founded cases of child sexual abuse be maintained by the local department of social services for 25 years from the date of the complaint.

Land Use

HB 51 (*Cole*) authorizes a local governing body to prepare and refer to the planning commission an amendment to the comprehensive plan, rather than directing the planning commission to do so, and also to submit such proposal to a public hearing if the planning commission fails to make a recommendation on it.

HB 374 (*Cosgrove*) and **SB 632** (*Obenshain*) delay, until July 1, 2014, collection or acceptance of a cash proffer by a locality until completion of the final inspection of the property and prior to issuance of any certificate of occupancy.

HB 651 (*Armstrong*) reinstates the option of the landowner to choose between commissioners and juries to hear an eminent domain case; the option to choose commissioners had been eliminated in 2006.

HB 882 (*Athey*) stipulates that in any local transfer of development rights program, development rights permitted to be attached in the receiving areas shall be equal to or greater than the development rights permitted to be severed from the sending areas.

HB 967 (*Peace*) and **SB 338** (*Hanger*) requires local zoning ordinances to consider group homes for elderly or disabled persons to be treated as single family homes; currently, the law applies only to Arlington and York Counties.

HB 1071 (*Athey*) and **SB 420** (*Vogel*) revise current urban development area (UDA) statutes. Required densities in UDAs for localities below 130,000 population are set at four single-family residences, six townhouses or 12 apartment or condominium units per acre, and a 0.4 floor area ratio for commercial development. The bills stipulate that a portion of one or more urban development areas shall be designated as a receiving area for any transfer of development rights program established by a locality. The bills require certain infrastructure funding for new and expanded facilities be directed to UDAs and that localities report on designation of their UDAs to the Commission on Local Government, and for the Commission to report to the General Assembly on local compliance. Finally, the bills include a grandfather clause for those localities that already have certified compliance with the current UDA provisions.

HB 1250 (*Knight*) makes zoning administrator decisions in certain cases a significant affirmative governmental act for purposes of determining vested rights. The property owner still is subject to the same investment and pursuit requirements that apply to other vested rights determinations.

HB 1307 (*Griffith*) allows a homeowner to install a temporary cottage-type building in their back yard as a permitted accessory use in single family residence zones where a family member would live while receiving health care. The bill has a number of safeguards and limits to ensure local government oversight.

SB 222 (*Puller*) exempts local governments, public agencies, citizen groups and neighborhood associations proposing comprehensive plan amendments through a local planning commission or governing body, from paying fees to VDOT for review of land use proposals.

Local Government

HB 83 (*Knight*) allows any locality, by ordinance, to require a pawnbroker to maintain and file a daily report of all goods, articles or things pawned or pledged with him or sold to him.

HB 233 (*Dance*) and **SB 273** (*Whipple*) require that real property generating income as affordable housing be assessed, beginning January 1, 2011, based on an income approach that reviews the property's current use, any income restrictions on the property, and any arms length contract provisions entered into with respect to the real property.

HB 290 (*Griffith*) provides immunity from civil liability when a locality's fire or emergency services department donates certain equipment that met engineering and safety standards at the time of its purchase by the donating entity.

HB 297 (*Cosgrove*) and **SB 246** (*Watkins*) authorize localities to adopt civil penalties, not exceeding \$250 for the first offense and \$500 thereafter, for violations of local noise ordinances.

HB 385 (*Dance*) allows the governor to temporarily suspend any state mandate on a locality for up to two years upon proper application by a locality, applicable between July 1, 2010, and June 30, 2012. Current law allows such suspension for a maximum of one year.

HB 430 (*Griffith*) makes several changes to the rules governing some property assessment appeals. Most notably, the bill requires an assessor to obtain an independent appraisal if, during an appeal to the Board of Equalization (for hearings after October 1, 2010), the assessor wants to increase the assessment in cases involving multifamily, commercial and industrial property. The appraisal would not be required if there were factual mistakes, computation errors or if the increase is based on information not supplied by the taxpayer when requested by the assessor when making the original assessment.

HB 450 (*R.L. Ware*) stipulates that persons appointed to fill vacancies on local elected bodies shall exercise all powers of the elected office, and validates votes cast by appointees prior to July 1, 2010.

HB 618 (*Pogge*) and **SB 521** (*Norment*) permit a locality to obtain a determination by the circuit court on the constitutionality of a local ordinance that has been held to be unconstitutional in a court not of record; presently, only the Commonwealth is able to obtain such a determination.

HB 758 (*Stolle*) allows local government workers to work on private property owned or occupied by elderly or indigent persons, if the property is identified by a citizens housing advisory committee as needing rehabilitation or repair and the property owner consents to the work.

HB 1014 (*Athey*) requires that special elections be held promptly, which shall be no later than the next general election, unless the vacancy occurs within 90 days of the next general election, in which event it shall be held promptly but no later than the second general election.

HB 1028 (*Pollard*) prohibits a public body from conducting a meeting required to be open to the public in any building or facility where recording devices are prohibited.

HB 1063 (*Athey*) provides that written notice of a zoning violation or a written order of the zoning administrator shall include the applicable appeal fee and a reference to where information about the appeal process can be found. Any fee shall not exceed the costs of advertising the appeal for public hearing and reasonable costs. Also, in an appeal of a decision of the Board of Zoning Appeals (BZA), the BZA shall not be named as a party to the proceedings.

HB 1348 (*Lingamfelter*) provides that, with regard to approval by a locality of surety provided by a developer, "designated administrative agency" means the planning commission or an agent designated by the local governing body for such purpose.

SB 68 (*McEachin*) provides that firefighters or emergency medical technicians may have an observer, who is a member of their department, present during an interrogation.

SB 318 (*Ruff*) expands, at the option of the locality, the manner by which a developer may provide financial assurances to a locality prior to it accepting dedication of public improvements.

SB 383 (*Obenshain*) provides that when a claim is made against a county, the county attorney shall notify the claimant of the date the claim will be considered. The bill also provides that court action on a claim is not barred if the governing body fails to act on a claim within 90 days of receipt, provided that such time may be extended by mutual agreement of the claimant and the county.

SB 406 (*Stuart*) allows localities to require licensed dealers of salvage vehicles within the jurisdiction to make a written or electronic report of certain vehicle information to local law enforcement.

SB 409 (*Vogel*) amends the duties of clerks of circuit courts, to include shifting to the locality, the responsibility of annually providing a list of all officers and constitutional officers in the locality to the Secretary of the Commonwealth.

SB 676 (*Wampler*) clarifies that when a locality acquires title to an abandoned or neglected graveyard, the locality may continue to maintain the property as a graveyard.

Public Safety

HB 109 (*Cole*) repeals local authority to 1) impose a license tax on persons engaged in the business of selling pistols and revolvers, and 2) require such persons to furnish purchase-related information to clerks of court following sales of such weapons.

HB 361 (*O. Ware*) allows regional jails to retain fees collected for prisoners' keep instead of crediting those fees to the locality that incarcerated the inmate.

HB 682 (*J.H. Miller*) expands current "gang-free school zones" to the broader "gang-free zones" by including any publicly owned or operated by a community or recreational center.

HB 1382 (*R.B. Bell*) prohibits a state or local agency from publicly posting or displaying on the Internet the home address or personal telephone numbers of a law-enforcement officer, if the officer has made a written demand that such information not be disclosed.

Transportation

HB 42 (*Oder*) and **SB 201** (*Blevins*) direct the Joint Legislative Audit and Review Commission (JLARC) to administer an operational and programmatic performance audit focusing of state transportation agencies, to include identifying any deficiencies in state and regional collaboration and coordination in the transportation planning and programming process, as well as the degree to which those processes adhere to and align with federally prescribed transportation planning and programming procedures.

HB 197 (*R.L. Ware*) has the effect of revising the secondary street acceptance regulations (SSAR) to allow a street in a subdivision to be taken into the secondary system if the subdivision has at least three occupied houses; currently, the SSAR require the entire subdivision, or portion of the subdivision, to have three occupied houses on every street before roads would be taken into the system.

HB 350 (*Rust*) and **SB 35** (*Lucas*) allow any locality to regulate and prohibit distribution of literature, solicitation of contributions, and sale of merchandise or services on highways or public roadways and medians within their boundaries.

HB 421 (*Hope*) permits the CTB, prior to the annual adoption of the Six-Year Improvement Program, to allocate up to 20% of the funds in the Mass Transit Fund designated for capital

purposes to transit operating assistance, if operating funds for the next fiscal year are estimated to be less than the current fiscal year allocation.

HB 810 (*E.T. Scott*) increases the allowable length of triple saddle mount combination vehicles operated on the National Highway System from 75 to 97 feet, to conform to the Code of Federal Regulations.

HB 1241 (*Oder*) allows a metropolitan planning organization, upon prior written authorization of the governor, to expand its membership to include state legislators.

HB 1292 (*Tata*) makes several changes to the red light photo-monitoring systems statute, to include that 1) a summons executed for violation of a photo-monitoring ordinance shall provide the person summoned at least 30, rather than 60, business days to inspect information collected in connection with the violation; 2) a private entity operating such traffic monitoring system may enter into an agreement with the Department of Motor Vehicles (DMV) to obtain vehicle owner information about the registered owners of vehicles that fail to comply with a traffic light signal; and 3) a locality may access and use, for employee disciplinary purposes, recorded images and other information if the vehicle involved is owned, leased or rented by the locality.

SB 553 (*Barker*) requires the Secretary of Transportation to report annually on actions taken by the State, local governments and regional transportation authorities to increase transit use and to reduce highway congestion and use of single occupant vehicles.

Miscellaneous

HB 111 (*Lohr*) and **SB 352** (*Obenshain*) delay implementation of statutory and regulatory provisions upon which school accreditation is based until July 1, 2011, unless such statutes or regulations are specifically required by federal code or regulation or court action. However, schools with a graduating class are required to meet prescribed thresholds on a graduation and completion rate index prescribed by the Board of Education for accreditation ratings.

HB 326 (*Plum*) requires the Virginia Waste Management Board to adopt regulations to encourage recycling of thermostats containing mercury. Localities may prohibit disposal of mercury thermostats in any privately operated landfill within its jurisdiction, if the locality is capable of handling such thermostats.

HB 361 (*O. Ware*) provides that DMV will refuse registration or renewal of registration of a vehicle if any parking citation fees are owed to any county, city or town.

HB 426 (*Griffith*) restricts a local public body from using another local public body's contract for construction when the project cost exceeds \$200,000 and the other local public body is more than 75 miles from the territorial limits of the public body procuring the construction.

HB 485 (*Lingamfelter*) requires the governor to conduct a performance review of various state agencies to assess the State's structure and programs and to suggest cost savings, ways to reduce duplication of effort, and programmatic efficiencies in state government operations. The review shall be completed by December 1, 2011.

HB 553 (*D.W. Marshall*) and **SB 64** (*Lucas*) provide that if a county enters into an agreement with VDOT to enforce Code provisions governing signs in highway rights-of-ways, that any employees and volunteers who remove such signs comply with existing law, and that any sign wrongly confiscated be held for five days to allow the owner to reclaim it.

HB 563 (*Tata*) authorizes a law-enforcement officer to use certain equipment to determine the decibel level of sound, including noise. The results of such determinations shall be accepted as evidence of the decibel level of the sound in any court or legal proceeding where the decibel level of sound is at issue.

HB 582 (*Landes*) and **SB 347** (*Hanger*) direct the Center for Rural Virginia to facilitate a “rural enterprise opportunity task force” to develop strategies that expand and promote economic opportunities for the agriculture industry.

HB 627 (*Kilgore*) authorizes the Director of the Department of Conservation and Recreation to establish a state directory of cultural heritage facilities and sites.

HB 669 (*May*) and **SB 413** (*Vogel*) eliminate the triennial census of school age population (ages five to 19), used for distributing a portion of sales tax back to localities for public education, in favor of a yearly estimate of school age population to be provided by the Weldon Cooper Center.

HB 672 (*May*) creates the Virginia Infrastructure Project Loan Fund, to be administered by the Virginia Resources Authority and used exclusively for the financing landfill gas energy projects and sewage or wastewater treatment projects undertaken by a locality.

HB 687 (*J.H. Miller*) increases the penalties for repeated violations of the Uniform Statewide Building Code.

HB 831 (*Surovell*) requires all public bodies to include in written contracts a provision that the contractor must be authorized to transact business in Virginia as required by the State Corporation Commission; such status shall be maintained during the term of a contract.

HB 909 (*R.B. Bell*) provides that payment of a storage fee to the sheriff or other department storing unclaimed property is required, unless the property is being retained by that sheriff's office or other law enforcement agency for its use.

HB 1101 (*Sickles*) provides that any local fire code may provide for an appeal to the local board of appeals for fire code violations, and if no such local board exists, to the State Building Code Technical Review Board.

HB 1225 (*Toscano*) and **SB 593** (*Puller*) allow localities to acquire direct recording electronic machines (DREs) in order to provide one voting system at each polling place equipped for individuals with disabilities.

HB 1230 (*R.L. Ware*) rewrites the rules for protecting public and private sewer system laterals as part of the Miss Utilities law. It establishes procedures to address recurring noncompliance that will be applicable to local governments, utilities and companies that utilities hire to place gas lines. The bill takes effect January 1, 2011.

HB 1245 (*Kory*) authorizes local school boards convey title to or donate surplus personal property to a Virginia nonprofit charitable organization.

SB 46 (*Stuart*) authorizes the circuit court, in special education program cases, to award reasonable attorney fees to prevailing parties under certain situations.

SB 137 (*Obenshain*) allows the Board of Elections to furnish registered voter lists to local commissioners of revenue and treasurers for tax assessment, collection and enforcement purposes.

SB 430 (*Herring*) provides that when state and local government officials disclose interest in real estate, as required by the State and Local Government Conflict of Interests Act, they must list each real estate parcel individually.

SB 546 (*Edwards*) ensures that railroad rights-of-way may be used for recreational purposes and for access to lands being used for recreational purposes, without the easement holder owing a duty of care to the user.

SB 723 (*Ticer*) repeals provisions of law that require local governing body members during non-election years to report campaign contributions of \$500 or more.

STUDIES AND RESOLUTIONS

House

HJR 11 (*Cole*) and **SJR 97** (*Barker*) are Constitutional amendments that would authorize the General Assembly to allow local governments to waive or establish their own income or net worth limitations for purposes of granting property tax relief for the elderly and disabled. **HB 16** (*Cole*) and **SB 547** (*Barker*) are the bills that authorize placement of the amendment question on the November, 2010, ballot.

HJR 33 (*O'Bannon*) and **SJR 13** (*Puller*) are Constitutional amendments that would exempt veterans who have a 100% permanent, service-connected disability from paying property taxes; the exemption also applies to surviving spouses and only to the principal residence. **HB 149** (*O'Bannon*) and **SB 31** (*Puller*) are the bills that authorize placement of the amendment question on the November, 2010, ballot.

HJR 60 (*M.K. Cox*) directs JLARC to study the feasibility and effectiveness of requiring local school divisions to contract collectively in certain areas of procurement.

HJR 130 (*Poindexter*) requests the Secretary of Technology to study the feasibility of developing a standard software package for administrative and operational purposes for local governments.

HJR 135 (*Athey*) and **SJR 89** (*Vogel*) continue the Joint Subcommittee Studying Development and Land Use Tools for one additional year.

Senate

SJR 21 (*Howell*) directs JLARC to study the effectiveness of income and retail sales and use tax preferences.

SJR 63 (*Y.B. Miller*) directs the Department of Rail and Public Transportation to study funding of high-speed and intercity passenger rail operations in the state.

SJR 98 (*Barker*) continues the Joint Subcommittee to Study the Feasibility of Creating a Regional Rapid Transit Network for Connecting Existing and Emerging Population Centers in Major Transportation Corridors for a third year.