2015 GENERAL ASSEMBLY SUMMARY

P. O. Box 1505, Charlottesville, VA 22902

Representing the Local Governments of:

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

Allen Hale, Chairman
Chip Boyles, Executive Director
David Blount, Legislative Liaison

April 2015
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OVERVIEW

The 2015 General Assembly concluded its work early, rather than having to extend the session or convene in special session as has been the case in a number of recent years. Lawmakers adjourned Friday, February 27, one day ahead of schedule. This was made possible by expedited work on the state’s biennial budget for the remainder of FY15 and for FY16. Senior lawmakers crafting changes to the current, two-year budget reached a compromise nearly a full week before the scheduled end of the session, thus setting the stage for floor votes on the spending plan amendments on Thursday, February 26. Both the House and Senate voted overwhelmingly to approve over 430 changes to the plan that Governor McAuliffe introduced in December. With no discussion in the Senate, the plan was approved 38 to 1. After about 30 minutes of discussion in the House, the plan passed on a 94 to 5 vote. On March 26, the governor signed the budget without proposing any amendments or line-item vetoes.

BUDGET SUMMARY

The compromise spending package includes additional projected revenues, balances and transfers totaling over $530 million. It contains $1.9 million in new fees, reduced from the nearly $13 million in higher fees contained in the introduced budget. It also includes two tax policy changes, including one that modifies the land preservation tax credit to save the state $22.4 million.

The final budget eliminates the nearly $30 million reduction in aid to localities planned for FY16, though the reduction was implemented for FY15. It provides, contingent on sufficient revenues being available, $13.3 million to increase FY16 salaries for state-supported local employees by 2 percent, effective September 1. Nearly $193 million from the sale of unclaimed property stock is included to reduce the unfunded teacher retirement liability, which results in a lower retirement contribution rate for teachers in FY16, thus saving money for both localities and the state.

Following is an analysis of key provisions of interest to local governments as included in the approved state budget for FY15 and FY16.

Education

Under the approved budget, state-recognized school instructional and support personnel are targeted for the state share of a 1.5 percent pay raise, effective August 16, with flexibility to receive all the funding if raises are provided by January 1 (the state dollars are contingent on sufficient revenues being available).

The budget includes $52.9 million for school construction loans, a slight bump up from the $50 million proposed in the introduced budget. It also re-purposes $25 million in the introduced budget for subsidizing construction loans, with the largest amount ($19.2 million) targeted to teacher retirement costs.

The plan provides $75,000 in FY16 for the Board of Education (BOE), in consultation with the Standards of Learning Innovation Committee, to redesign the School Performance Report Card.

The budget updates projected FY16 kindergarten enrollment in the Virginia Preschool Initiative (VPI) based on using actual September 2014 enrollment. This means a loss of 1,067 slots statewide, producing a state savings of $2.9 million. The budget plan also changes the definition of “at-risk” as used in the VPI program to one that includes 1) family income less than 200% of poverty, 2) homelessness, and 3) parents who are high school dropouts. Language also establishes a new joint subcommittee to review the state’s role and policy in, and to make recommendations for reforming, the VPI. A preliminary report is due by November 1.
The spending plan adds $4.8 million in FY16 to increase the state’s allocation from $2.4 million to $7.2 million for a targeted extended school year incentive. It also allows school divisions to participate in a new pilot “Breakfast after the Bell” model for their elementary schools in which student eligibility for free or reduced lunch is greater than 45%; schools also have the option to continue to expand the existing traditional school breakfast program to receive additional reimbursement for meals to all students.

Language amendments in the education arena include the following:

→ Directing the Commission on Local Government, by December 1, to develop a process to determine an appropriate calculation for additional state funds for future school division consolidations, which should be based primarily on the projected cost of consolidation.

→ Requesting the Department of Planning and Budget to develop a matrix of best practices and previous recommendations from School Efficiency Reviews, so that school divisions may use the model as a guide for self-directed improvements toward better financial management and use of school division resources.

→ Directing the Virginia Community College System to develop a plan to expand workforce training credentials and certifications to a level needed to meet workforce demands.

Environment

The adopted budget includes an additional $10.7 million for the Natural Resources Commitment Fund (for a total of $18.2 million) for agriculture best management practices and for Soil and Water Conservation District technical assistance in FY16.

The compromise budget provides an additional $5 million to the Stormwater Local Assistance Fund to supplement funding previously authorized from bond proceeds. The Fund is used to provide matching grants to local governments for stormwater best management practices that reduce water quality pollutant loads.

The plan includes $3 million for the Virginia Land Conservation Foundation (bringing FY16 funding to $6 million) and an additional $1 million for farmland preservation (bringing FY16 funding to $1.75 million).

Health and Human Services

The final budget for FY15/16 provides an additional $105.4 million for mental health services over the biennium. This includes targeting physical and behavioral health and treatment services to over 21,000 low income individuals with mental illness and substance abuse disorders. The plan also includes $27.2 million for health care safety net programs, including dollars for enrolling up to 35,000 children in the state’s health insurance programs, Medicaid and FAMIS. Funding of $1.8 million also is included for community behavioral health services and for six additional therapeutic drop-off centers.

Concerning the Comprehensive Services Act (CSA):

1) The budget includes $7.3 million in FY16 for CSA, whose funding was reduced in the introduced plan in order to expand foster care and adoption subsidies, an initiative which was not approved.

2) Budget language directs the Secretary of Health and Human Resources to convene a work group to examine the role of the State Executive Council in overseeing administration of CSA, including whether the Council should be changed from a supervisory board to a policy board, and whether it should promulgate regulations in accordance with the Administrative Process Act. A report is due December 1.

3) Budget language also requires the State Executive Council to convene a workgroup and make recommendations on how to meet the education costs for students in psychiatric or residential treatment facilities authorized by the Medicaid program. Currently, education costs are borne by the facilities, rather than the local school divisions or the state, and are not eligible for Medicaid reimbursement.
The budget provides an additional $605,000 (for a total of $13.8 million in FY16) for Part C Early Intervention Services for infants and toddlers with disabilities from ages birth to three. These services help to reduce school-based services and health care costs.

The plan defers $2.1 million in FY15 for local Department of Social Services (DSS) eligibility workers, noting that local departments would be unable to hire the additional workers prior to the end of the fiscal year; some of the funding is moved to the second year and added to money included in the introduced budget for costs of new staff. The budget also provides an additional $1 million (on top of the $1 million in the introduced plan) from the federal Temporary Assistance for Needy Families block grant in FY16 for Community Action Agencies.

The spending plan provides $2.1 million in FY16 to support 150 rental subsidies and supports to be administered by community services boards or private entities to provide stable, supportive housing for persons with serious mental illness.

Public Safety

The budget includes an additional $2.5 million in FY15 for jail per diem payments, bringing the total to $13.8 million for the current year. Budget language reduces the state reimbursement for construction, enlargement and renovation of regional jails from 50% to 25% for projects approved by the Governor on or after July 1, 2015, consistent with SB 1049. That bill states that enlargement or renovation of existing regional jails would continue to receive the 50% reimbursement.

It reinserts language included in previous budget plans to clarify that the amount of funding for localities with police departments (HB599 funding) distributed in FY15 and FY16 is the same as that received in FY14 ($172.4 million). The budget provides just over $101,000 in FY16 for additional DNA testing kits and laboratory supplies, pursuant to HB 1928 and SB 1187, which require DNA samples from adults who have been convicted of certain misdemeanors.

The plan includes $200,000 in FY16 for 11 additional positions for the Central Virginia Regional Jail’s expansion project.

Budget language directs the Department of State Police to provide training to all local law enforcement agencies on the registration of sex offenders and directs the State Policy Superintendent to notify the Compensation Board and Department of Criminal Justice Services when local law enforcement agencies are out of compliance with Code requirements. Effective July 1, the Compensation Board is authorized to withhold reimbursements to the locality for sheriff and jail expenses, upon such notification.

Transportation

The budget includes $1 million to support start-up and ongoing costs associated with the regulation of transportation network companies, as stipulated in HB 1662 and SB 1025.

Several language amendments were approved:

1) The Joint Commission on Transportation Accountability, on an annual basis, is to review and provide oversight of the use of funding generated by the 2013 transportation funding package (HB 2313). 2) The Department of Rail and Public Transportation is to undertake a comprehensive review of the Rail Enhancement Fund and its usage (a report is due December 1). 3) The Virginia Department of Transportation (VDOT) is to report, by November 15, on the level and distribution of funding for secondary road construction and maintenance activities. 4) The Commonwealth Transportation Board (CTB) is directed to include municipally-owned, structurally deficient bridges in its selection of projects being funded with the portion of the “CTB formula” funds dedicated to structurally deficient bridges.

Miscellaneous budget provisions and budget language

The approved spending plan rejects funding contained in the introduced budget for bonds to pay for optical scan voting equipment, and general funds to repay localities that have already purchased upgraded equipment.
The budget plan adjusts the current formula by which local collections of fines and fees based on local ordinances may not exceed a certain threshold of the total collections. It removes fees from the calculation of the formula and specifies that one-quarter of the amount by which collections of local fines and forfeitures exceeds 65 percent of total collections is to be returned to the Literary Fund (estimated to be over $830,000). The amount to be returned would increase to one-third and one-half of such excess, respectively, in FY17 and FY18.

The spending plan sets aside $129.5 million as a pre-payment to the state’s rainy-day fund that will be required in the next biennium.

Budget language directs the Department of Human Resource Management to review the impact on the state and localities from including local government and school employees in the state employee health program or in a statewide pooled plan. A report is due by October 31.

The budget doubles funding for the Governor's, now to be called the Commonwealth’s, Opportunity Fund for a total of just over $40 million over the biennium.

The budget includes $500,000 in FY16 for grants or loans to political subdivisions or business entities for attracting new and expanding existing tourism and hospitality projects.

The budget directs $500,000 of the $1 million provided for rapid rehousing to combating veterans' homelessness, and adds $4 million each year for the Virginia Housing Trust Fund.

The plan eliminates language that would have expanded the application of the retail sales and use tax and local transient occupancy taxes to include markup charges imposed by online travel companies and other third-party intermediaries.

**APPROVED LEGISLATION**

**Local Legislative Initiatives**

Several measures of specific interest to or submitted at the request of TJPD localities were approved:

**HB 1928 (R.B. Bell)** requires DNA collection and analysis upon conviction of certain misdemeanor offenses.

**HB 2051 (Toscano) and SB 1247 (Deeds)** extend authorization to the City of Charlottesville to allow lot developers, through the zoning ordinance, to contribute to a sidewalk fund in lieu of building a sidewalk; current authority applies only to the subdivision ordinance.

**HB 2098 (Toscano) and SB 1127 (Hanger)** create a separate classification for purposes of personal property tax for miscellaneous and incidental property used in a trade or business, when the property has an original cost of less than $250. Localities are authorized to tax this property at a rate not to exceed the rate for the general class of tangible personal property and may allow a taxpayer reporting any such qualifying property to provide an aggregate estimate of the total value of all such property owned by the taxpayer, in lieu of a specific list.

**SB 1245 (Deeds)** revises affordable housing provisions applicable to the City of Charlottesville to allow for an affordable term of up to 30 years (rather than for 30 years under the current law) and for affordability to apply to households of up to 80% of area median income (rather than the current 60%).

**SB 1047 (Hanger)** provides a waiver from the stormwater utility fee for property owned by a school board but located in an adjoining locality (applicable in Charlottesville/Albemarle).
Following are highlights of approved legislation in the areas of the environment, finance, human services, land use, local government, public safety and transportation. Bills take effect July 1, unless otherwise noted. Bills with an * await final action by the governor.

**Environment**
HB 1364 (*Peace*) and SB 1413 (*Dance*) allow localities to adopt ordinances that provide for the testing and monitoring of the land application of solid or semisolid industrial wastes. The bills also direct the State Water Control Board to adopt regulations requiring payment of a fee for the land application of solid or semisolid industrial wastes in localities that have adopted such ordinances.

HB 1804 (*Knight*) provides that certain property owners upgrading a failing onsite sewage system are entitled to a waiver from new Board of Health regulatory requirements.

HB 1817 (*Stolle*) and SB 1079 (*Locke*) direct the Department of Conservation and Recreation to regularly update (at least once every five years) the state’s flood protection plan and to make the plan accessible online.

HB 1827 (*Scott*) exempts routine state highway maintenance projects from Erosion and Sediment Control Act requirements, including the reduction of flow runoff rates; this exemption is consistent with the exemption for similar routine highway maintenance projects under the Stormwater Management Program.

SB 1201 (*Wagner*) directs the State Water Control Board to establish a procedure for the approval of dredging operations in the Chesapeake Bay watershed as a method to meet pollutant reduction and loading requirements, if the Board determines such practice to be credible.

SB 1284 (*Hanger*) replaces the tributary strategies for cleaning up the Chesapeake Bay and its tributaries, last prepared in 2003-2004, with the Watershed Implementation Plans developed pursuant to the Chesapeake Bay total maximum daily load (TMDL).

**Finance**
HB 1291 (*Ware*) and SB 678 (*Watkins*) provide that the required information on the notice to property owners regarding assessments in the immediately prior two tax years refers to the final assessments for such years.

HB 1297 (*Rasoul*) creates a separate class of property for purposes of the machinery and tools tax for such equipment owned by a business and used directly in producing or generating renewable energy; localities are authorized to levy a tax on this class of property at a lower rate than is levied on other machinery and tools.

HB 1340 (*Scott*) and SB 1219 (*Reeves*) expand the pool of vehicles that are deemed “qualifying vehicles” for purposes of personal property tax relief to include autocycles (three-wheeled motor vehicles). The bills are effective for tax years beginning on or after January 1, 2016.

HB 1567 (*Orrock*) provides a method for the sale of tax-delinquent real property that is located in more than one locality.

HB 1589 (*Krupicka*) requires localities to ensure that the state car tax reimbursement pays for all tax attributable to the first $20,000 of value on each qualifying vehicle leased by an active duty
U.S. military member or his spouse, pursuant to a contract requiring one or both to pay the tangible personal property tax on such vehicle.

**HB 1721 (Ramadan)** expands the real property tax exemption for the residence of a surviving spouse of a soldier killed in action by allowing dwellings assessed at more than the average assessed value of all single family homes within the locality to qualify for the exemption, which would be limited to that portion of the assessed value not exceeding such average assessed value. Under current law, dwellings with an assessed value exceeding the average of all single family homes located within the locality do not qualify for the exemption.

**HB 1766 (Loupassi) and SB 1031 (Watkins)** expand the option for allowing a real property tax exemption for a tenant’s leasehold interest on tax-exempt property, to include when the tenant is entitled to or has received rehabilitation tax credits related to the property and uses the property for cultural purposes.

**HB 1828 (Ware) and SB 1019 (Watkins)** make several changes to the land preservation tax credit, including reducing the maximum amount of credits that may be issued each year from $100 million to $75 million and reducing the maximum amount of credit that may be claimed by individuals in any year from $100,000 to $20,000 for FY15 and FY16.

**HB 2173 (Orrock)** authorizes localities to release any unpaid taxes, penalties, interest and other costs on tax-delinquent real property in exchange for the conveyance of the property to a qualifying nonprofit organization that builds, renovates or revitalizes affordable housing for low-income families.

**SB 872 (Cosgrove)** requires an assessing officer of a governing body to provide, upon taxpayer request, a written explanation of or justification for an increase in the assessed value of the taxpayer’s property.

**SB 1040 (Hanger)** provides that if a taxpayer ceases business and intends to settle outstanding, existing accounts in the following year, such taxpayer would be authorized to pay the local business license tax in that following year based on an estimate of gross receipts for such year, instead of on the previous year’s gross receipts.

**SB 1177 (Norment)** authorizes commissioners of the revenue to require a taxpayer to produce documents related to his tax liability; current law authorizes treasurers to summon a taxpayer and require production of documents, but authorizes a commissioner of the revenue only to summon a taxpayer.

**SB 1448 (Vogel)** provides that any special tax or assessment imposed by a locality pursuant to an agreement with a community development authority constitutes a lien on real estate ranking on parity with real estate taxes, and any such delinquent special tax or assessment may be collected in accordance with established procedures. The bill took effect March 6.

**Human Services**

*HB 1570 (Orrock) and *SB 1168 (Hanger) revise provisions related to child care centers and family day homes. They require localities with a BPOL program, beginning July 1, to report semiannually to the DSS the contact information of any child day care center or family day home to which a business license was issued. Effective July 1, 2016, local governing bodies may, by ordinance, allow for an administrative process to issue zoning permits for a family day home serving five to 12 children. The DSS is to work with localities to identify and address differences between local ordinances addressing home-based child care and state licensure regulations.
HB 2083 (*Peace*) and SB 1041 (*Hanger*) direct community policy and management teams to establish, as part of policies governing referrals and reviews of children and families to family assessment and planning teams or a collaborative, multidisciplinary team, a process for parents and persons with primary physical custody of a child to refer children in their care to the teams.

SB 850 (*Favola*) changes the name of the Comprehensive Services Act for At-Risk Youth and Families to the Children's Services Act.

SB 1117 (*Norment*) stipulates that, in cases of alleged child abuse or neglect involving a school division employee in the course of his employment, the existing time period for investigating reports of alleged abuse or neglect, determining whether the report is founded or unfounded, and transmitting the required report to the state shall be mandatory, and every local DSS shall make the required determination and report within the specified time period.

SB 1151 (*Wexton*) provides that the parent representative to the state and local advisory team for the State Executive Council for the Comprehensive Services Act have a child who has received services that are within the purview of the Act.

**Land Use**

HB 1483 (*Rush*) permits localities to establish minimum acreage requirements below five acres in order for real estate devoted to agricultural purposes to qualify for land use assessment.

HB 1542 (*Lingamfelter*) establishes an advisory committee of the Department of Conservation and Recreation to assist in developing and implementing a statewide system of trails.

HB 1711 (*Yost*) clarifies that any official designated by the locality to administer its zoning ordinance is qualified to make a determination as to whether certain tax-delinquent real property is unsuitable for building and therefore does not meet the criteria for a nonjudicial sale.

HB 1849 (*D.W. Marshall*) provides that a variance from zoning rules is to be granted by a board of zoning appeals (BZA) when those rules would "unreasonably restrict" the use of the property or would alleviate a hardship that exists due to the physical characteristics of the property. The bill also creates new procedural rules for BZAs.

SB 1257 (*Smith*) removes the July 1, 2017, expiration of a Code section, first enacted in 2010, that delays 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. It also eliminates the July 1, 2017, expiration of a Code section, first enacted in 2009, that reduces the bonding requirement from 25% to 10% of estimated construction costs for the administrative allowance required from a developer.

SB 1272 (*Deeds*) creates a limited distiller's license for distilleries that (i) manufacture no more than 36,000 gallons of spirits per calendar year, (ii) are located on land zoned agricultural and owned or leased by such distillery or its owner, and (iii) use agricultural products grown on the farm to manufacture alcoholic beverages. The bill allows localities to regulate minimum parking, road access and road upgrade requirements pertaining to such distilleries.

SB 1355 (*Reeves*) subjects all counties to provisions, including a 60-day time limit, for approval of a plat or site plan that involves only commercial property, which currently are applicable only in localities with greater than 90,000 in population.
**Local Government**

**HB 1446 (D.W. Marshall)** and **SB 801 (Watkins)** expand the requirements of a local ordinance authorizing contracts to provide loans for clean energy improvements. Specifically, they add “water efficiency” to the list of improvements for which loans may be offered; allow a locality to contract with a third party to administer the loan program; and require a locality to identify any fee it intends to impose on participants. The bills direct the Department of Mines, Minerals and Energy to develop underwriting guidelines for local loans made to finance such improvements.

**HB 1484 (Tyler)** and **SB 842 (Lucas)** conform the county school budget preparation and approval process to that of municipalities, providing for approval by May 15 rather than May 1.

**HB 1553 (D.W. Marshall)** authorizes localities, by ordinance, to establish a system to deliver notifications to residents, on an opt-in basis, by email, phone, text message or other similar means of communication; a notification system adopted by a locality prior to the effective date of this act shall be deemed to have met the bill’s provisions.

**HB 1560 (Rust) and SB 888 (Peterson)** allows towns to assess a fee not to exceed $5, as part of the costs in each criminal or traffic case in the district or circuit courts, to be used for implementing and maintaining an electronic summons system.

**HB 1593 (Cole)** authorizes localities, by ordinance, to allow the parking of vehicles in residential areas, within a public right-of-way that constitutes a part of the state highway system, so long as the vehicle does not obstruct the right-of-way.

**HB 1594 (Cole)** allows counties to assume regulation of authorized outdoor advertising or notices that are on public park or school property they own, and that are not visible from interstates or other National Highway System components.

**HB 1662 (Rust) and SB 1025 (Watkins)** create a new licensing authority for transportation network companies (TNCs) that use smart phone apps (such as Uber, Lyft and Sidecar) to connect drivers and riders. The bills give the state the authority to regulate TNCs, with enforcement of the new law to be the responsibility of the Department of Motor Vehicles (DMV). The authority of localities to regulate taxicab services will remain. The bills require DMV to consult periodically with local governments to determine whether TNCs have had an effect on the availability of wheelchair-accessible transportation services, and in 2016, to review the enforcement, insurance and fees provisions of the new law.

**HB 1966 (Rust)** allows counties and adjoining towns to enter into reciprocal agreements to collect each other's nondelinquent vehicle license fees and taxes.

**HB 2094 (Peace)** provides that prosecutions for building code violations relating to the maintenance of existing buildings or structures shall commence within one year of the issuance of a notice of violation, rather than within one year of the discovery of the offense by the building official.

**SB 1046 (Hanger)** authorizes the governing bodies of three or more cities, counties or school boards, if they composed the membership of a multiple employer welfare arrangement on December 31, 2014, to form a benefits consortium for the purpose of establishing a self-funded employee welfare benefit plan.
SB 1133 (Garrett) prohibits a state or local government officer or employee from using his public position to retaliate or threaten retaliation against any person for expressing views on matters of public concern.

SB 1435 (Deeds) requires that liability for lost profits claimed in an action for compensation pursuant to a taking under eminent domain be set forth specifically in the award for just compensation. The bill also defines lost profits as a loss of business profits for a period not to exceed three years from the date of valuation if there is a partial taking and for a period not to exceed one year from the date of valuation if the entire parcel of property is taken.

Public Safety

HB 1355 (Ramadan) provides that a violation of an ordinance created to enforce photo-monitoring systems for traffic lights is appealable to circuit court; the bill also lowers the appeals threshold from $50 at controversy to $20 at controversy.

HB 1584 (Stolle) and SB 938 (Stuart) revise terminology and reorganize provisions related to fire and emergency medical services. The bills address locality establishment of a local fire department and provision of emergency medical services, as well as establishment of an emergency medical services agency as a department of local government or as a nongovernmental entity. They also provide for the local establishment of emergency medical services zones or districts and for the levying of an annual assessment on all personal and real property within such a zone or district in order to pay for services rendered.

HB 1606 (Garrett) and SB 1217 (Norment) provide for the establishment and operation of private police departments; existing private departments, including those serving Lake Monticello and Wintergreen, can continue to operate, provided they comply with the requirements of the legislation (which took effect March 16).

*HB 1673 (Anderson) and *SB 965 (Petersen) limit the ability of law-enforcement agencies to use surveillance technologies to collect and maintain personal information on individuals and organizations where a warrant has not been issued and there is no reasonable suspicion of criminal activity by the individual or organization.

*HB 2125 (Cline) and *SB 1301 (McEachin) replace the moratorium, set to expire July 1, on the use of unmanned aircraft systems by state and local law enforcement entities, with a prohibition on the use of such systems by law enforcement, except under certain conditions, or unless a search warrant has been obtained prior to such use.

SB 997 (Stuart) creates an alternative method for criminal history background checks for emergency medical services personnel, allowing local governments with procedures in place collecting fingerprints and personal descriptive information and forwarding of such directly to the State Police or the Federal Bureau of Investigation, to do so instead of forwarding fingerprints and information through the Central Criminal Records Exchange.

SB 1049 (McDougle) reduces from one-half to one-fourth, for facilities approved by the governor on or after July 1, 2015, the maximum state reimbursement for capital costs for construction, enlargement or renovation of regional jails and jails where there is a regional contract for cooperative jailing.
**Transportation**

**HB 1402 (Loupassi)** provides that cities and towns that receive state highway maintenance payments based on moving-lane-miles of highway will not have such payments reduced if such moving-lane-miles are converted to transit-only. The bill also directs the Secretary of Transportation to report, by December 1 on an appropriate formula or allocation for the maintenance of bicycle-only lanes.

**HB 1886 (Jones)** establishes requirements for a finding of public interest and requires such a finding prior to an initiation of procurement for a Public-Private Transportation Act project. The bill also requires VDOT to establish a process for identifying high-risk projects and procurement processes and guidelines for such projects to ensure that the public interest is protected.

**HB 1887 (Jones)** replaces the current distribution formula for highway construction projects when it expires in 2020. The new formula, to take effect July 1, 2020, distributes construction dollars 1) to rebuild and repair bridges and deficient pavement on interstates and primary roads (45%); 2) for competitive highway construction district grants for local projects (27.5%); and 3) for high priority projects which reduce congestion on a statewide and regional basis (27.5%), to be determined by CTB. The new formula replaces the current 40-30-30 construction allocation formula (40% for primary, 30% for urban and 30% for secondary roads), which has been in place for nearly 30 years and which had no money flowing through it in recent years.

**HB 2042 (Filler-Corn)** directs the CTB to amend its regulations to permit food truck vending on certain state highway rights-of-way. Localities are to be consulted in development of the regulations, which shall allow localities to regulate the operation of such mobile food vending businesses.

**HB 2164 (Hugo)** provides that members of the CTB do not serve at the pleasure of the governor; the bill takes effect July 1, 2016.

**HB 2266 (Hugo)** adds to the duties of the Joint Commission on Transportation Accountability 1) reviewing actions of the CTB, and 2) making recommendations to the General Assembly on necessary transportation legislation.

**HB 2391 (Minchew)** provides that the five percent of moneys currently allocated annually by the CTB for paving unpaved highways carrying more than 50 vehicles per day also may be used for improving such highways. The bill takes effect July 1, 2016.

**SB 792 (Carrico)** expands the number of streets eligible to be taken into the state secondary highway system by changing the definition of "street" from including streets that were opened to public motor vehicle use prior to July 1, 1992, to streets that have been open to such use for at least 20 years.

**Miscellaneous**

*HB 1296 (Cole) and *SB 1066 (Obenshain) would, among other things, prohibit a special election to fill a vacancy in an office from being held the same day as the general election at which that office is regularly scheduled to be filled.

**HB 1433 (Cole) and SB 1092 (Vogel)** reassign duties of the electoral board related to absentee voting and campaign finance to the general registrars.
HB 1488 (Pogge) allows a landowner or other party to a conservation easement to request that the Virginia Land Conservation Foundation use the Administrative Dispute Resolution Act to resolve a dispute relating to the interpretation of the easement.

HB 1558 (Rust) allows for the creation of local or regional adult fatality review teams upon the initiative of various local or regional agencies, for the purpose of conducting reviews of certain adult deaths in order to develop interventions and strategies for local or regional prevention.

HB 1645 (Pogge) authorizes a bed and breakfast licensee to permit consumption of alcoholic beverages by persons to whom overnight lodging is being provided (i) in bedrooms or private guest rooms, or (ii) in other designated areas, which are defined to include outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare. Such areas must be under the control of the licensee and approved by the Alcoholic Beverage Control Board.

HB 1751 (Ransone) provides that if an economic impact analysis completed by the Department of Planning and Budget reveals that a proposed regulation would impose a significant, adverse economic impact on a locality or business, it shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance. The Joint Commission shall review such regulation and report quarterly to the Governor and General Assembly on any such regulation, including in its report any position taken by the Commission.

HB 1899 (DeSteph) and SB 1198 (Wagner) extend the period during which a relevant standing committee of the General Assembly or the Joint Commission on Administrative Rules may transmit, with the Governor's concurrence, a statement directing suspension of the effective date of a portion or all of a final regulation.

HB 1986 (Byron) and SB 1372 (Ruff) revise provisions related to workforce development in the state. Among the changes are those that direct the Virginia Board for Workforce Development to evaluate the extent to which the state's workforce development programs emphasize education and training opportunities that align with employers' workforce needs and labor market statistics. Each workforce development board is to develop and execute a strategic plan designed to combine public and private resources to support sector strategies, career pathways and career readiness skills development. They also stipulate that each local board is to be a regional convener for coordinating business, economic development, labor, local government, education and human services interests to focus on community workforce issues and development of solutions to meet business needs for a skilled labor force.

HB 1969 (Jones) directs VRS to review cash balance retirement plans implemented in other statewide retirement systems and develop and submit a proposed plan to the General Assembly no later than November 1.

HB 2062 (Sickles) and SB 1062 (Obenshain) require that local governing bodies provide each precinct having more than 4,000 registered voters with two ballot scanners (up from the current requirement of one per precinct) for a presidential election, unless the governing body, in consultation with the general registrar and electoral board, determines that a second scanner is not needed based on voter turnout and average wait time for voters in previous presidential elections.

*HB 2070 (Gilbert) and *SB 1424 (Norment) make numerous policy related changes and refinements to the state’s conflict of interests and ethics reform legislation approved last year, and to the Virginia Conflict of Interest and Ethics Advisory Council.
1) For local officials, the bills include language to make it clear that travel by a local official or employee and paid by the locality is not a gift for purposes of the Conflict of Interests Act.

2) The bills allow local officials (in localities over 3,500 populations) to file economic disclosure forms with the clerk of the local governing body. The forms must be maintained for five years and are to be made public at least six weeks after filing.

3) The bills set a $100 cap on gifts, tangible or intangible, if they come from a person the official knows or should know is a lobbyist, the lobbyist’s principal or a party that has a contract or is looking to get a contract with the locality in which the official serves. The cap applies if the gift is to the official or a member of his immediate family. These provisions of the law take effect Jan. 1, 2016.

HB 2204 (Jones) revises the Line of Duty Act, namely by 1) codifying provisions currently in the Appropriation Act; 2) transferring overall administration of the Act and eligibility determinations to the Virginia Retirement System; 3) transferring administration of health insurance benefits to the Department of Human Resource Management; and 4) providing for an administrative appeal process for employers. The bill contains a reenactment clause that requires it to pass the General Assembly again in 2016 before becoming law.

HB 2207 (Ransone) increases from 11 to 14 the membership of the Broadband Advisory Council.

HB 2384 (Byron) requires the Virginia Workers' Compensation Commission to establish a schedule for employers, workers' compensation insurance carriers and providers of workers' compensation medical services to electronically process claims for medical expenses incurred under the Virginia Workers' Compensation Act.

SB 845 (Stanley) provides that no volunteer firefighter or emergency services personnel shall be liable for any injury to persons or property arising out of operation of an emergency vehicle travelling to a fire or emergency situation, provided emergency warning lights and sounds are activated, unless such injury results from gross negligence or willful or wanton misconduct.

SB 969 (Ruff) clarifies that the gathering of employees or of two or more members of a public body at certain functions is not deemed a meeting for purposes of the Freedom of Information Act (FOIA).

SB 1089 (Vogel) provides that, notwithstanding any local charter provision, the highest ranking deputy officer, or in the case of the office of attorney for the Commonwealth, the highest ranking full-time assistant attorney, shall fill a vacancy in a constitutional office until a special election to fill such vacancy has been held.

SB 1109 (Stuart) expands the open meeting exemption under FOIA for the discussion of plans to protect public safety as it relates to terrorism and security of governmental facilities, to encompass discussion of specific cybersecurity threats or vulnerabilities, including discussion of related records excluded from mandatory disclosure under FOIA (see also SB 1129). The bills took effect March 16.

SB 1434 (Hanger) provides that in cases in which the identity of a decedent and the locality in which the decedent resided at the time of death are known, the person or institution having initial custody of the dead body shall notify the primary law-enforcement agency for the locality in which the decedent resided of the decedent’s death, and such agency shall make good faith efforts to identify and notify the decedent’s next of kin.
Procurement:

HB 1628 (Albo) provides that the contract modification provisions of the Virginia Public Procurement Act (VPPA) do not limit the amount a party to a public contract may claim or recover against a public body in the event of a contract dispute.

*HB 1835 (Gilbert) and *SB 1371 (Ruff) make multiple changes to construction and professional services procurement requirements in the VPPA, as follows:

1) The bills eliminate the ability of public bodies to participate in cooperative construction services contracts with other public bodies; currently, the VPPA allows public bodies to use another public bodies’ construction contract, except where the construction is in excess of $200,000 and more than 75 miles from the procuring public body.

2) They provide that no public body shall issue or use a job order contract solely for the purpose of receiving professional architectural or engineering services; however, such services may be included in a job order if they are incidental and directly related to the job and do not exceed $25,000 per job order or $75,000 per contract term.

3) They clarify that small purchase procedures may be used for construction if the total cost of construction is less than $100,000.

4) They remove the requirement that a determination be made in advance and explained in writing for instances where competitive sealed bidding is not feasible or fiscally advantageous in order for goods, services, or insurance to be procured by competitive negotiation.

HB 1917 (LeMunyon) requires any state or local governmental agency that intends to purchase services for an amount over $25,000 from another governmental agency, and the service is found on the commercial activities list, to post notice and provide opportunity for comment by or submission of information from the private sector on each such intended purchase.

SB 1226 (Reeves) provides that Requests for Proposals indicate whether a numerical scoring system will be used in evaluation of the proposal and if so, the point values assigned to each evaluation criteria.

STUDIES AND RESOLUTIONS

HJR 490 (R.P. Bell) is a proposed change to the Virginia Constitution that would make current Virginia Right to Work laws, which provide that a citizen cannot be denied employment for failing to join a union or other labor organization, part of the Constitution. Proposed Constitutional amendments must pass two sessions of the General Assembly, with an intervening election and in the same form, before being put to the voters.

HJR 587 (DeSteph) requests the Department of Environmental Quality to conduct a two-year study of the application of the post-development stormwater management technical criteria, as established in the Virginia Stormwater Management Regulations, in areas with a seasonal high groundwater table.

HJR 597 (Hugo) is a proposed change to the Virginia Constitution that would allow the General Assembly to provide for a local option to exempt from local taxation the real property of the surviving spouse of first responders killed in the line of duty.

HJR 635 (LaRock) requests that the Department of Taxation study the performance of the communications sales and use tax, which was restructured effective January, 2007. The study is to utilize an advisory panel comprised of local government and communications industry representatives. A report is due November 30.
HJR 644 (Fariss) encourages Virginia localities and school divisions to partner with local law enforcement agencies regarding wireless Internet access.

SJR 235 (Watkins) directs the Virginia Housing Commission to study methods to evaluate and determine a dedicated revenue source for the Virginia Housing Trust Fund.

SJR 256 (Obenshain) is a proposed change to the Virginia Constitution that would grant authority to the Board of Education, subject to criteria and conditions prescribed by the General Assembly, to establish charter schools.

SJR 272 (Norment) directs the Joint Legislative Audit and Review Commission to study Virginia’s water resource planning and management, particularly with regard to groundwater and surface water. A report is due November, 2016.