

POST-BOUNDARY CHANGE ACTIONS
(Incorporates changes through 2006 General Assembly)

Subsequent to any municipal boundary change, the following procedural steps must be taken to make appropriate adjustments in the distribution of State aid, State-shared revenue, and local source revenues, and to comply with federal and State electoral requirements.

I. STATE AID/SHARED REVENUE ADJUSTMENTS

In most instances of annexation or municipal boundary change a court order will be generated setting forth the acreage of the affected area, its population, and the effective date of the boundary change. That court order, which is distributed in limited fashion by statutory direction, constitutes the authoritative instrument permitting agencies to adjust the State aid/shared revenue programs which they administer. In instances in which towns annex by ordinance pursuant to an agreement defining annexation rights negotiated with their parent county (Sec. 15.2-3231, et seq., Code of Va.), there is no court order which can be used for that purpose. In such circumstances, the municipality should provide the appropriate State agency or official with certified copies of the annexation ordinance, the interlocal agreement under which the ordinance was adopted, and a statement signed by representatives of the town or county stipulating the size of the area annexed and its population. Regardless of the process by which an annexation or boundary change takes place, localities should verify the fact that the following agencies/officers receive the documentation which they require to effect the adjustment in the State aid/shared revenue programs which they administer:

A. Secretary of the Commonwealth (Sec. 4.1-117, Code of Va.)

The Secretary of the Commonwealth is responsible for certifying all annexations and other local boundary changes to the State's Department of Accounts for the purpose of adjusting the distribution of ABC profits and wine tax receipts to jurisdictions. In each instance, the adjustments are made on the basis of the population that is transferred from one jurisdiction to the other.

Contact: Secretary of the Commonwealth
P. O. Box 2454
Richmond, VA 23218
804-786-2441

NOTE: If the court order does not specify the population of the affected areas, such as in the instance of a voluntary boundary adjustment (Sec. 15.2-3106, Code of Va.), the town or city must send to the Secretary of the Commonwealth a statement signed by an official representative of the municipality certifying the population of the affected territory.

B. Department of Education [Sec. 58.1-638 (D), Code of Va.]

The Department of Education is responsible for certifying to the State's Comptroller (Department of Accounts) the number of children of school age population in each county and city (or town constituting a separate school division) for the purpose of distributing that portion of the State's sales tax revenue which is remitted to localities for educational purposes. The Department of Education will revise the data presented to the Comptroller in instances of a boundary change by a municipality constituting a separate school division. In addition, the Department of Education will adjust the local composite index for those local school divisions affected by the boundary change.

Contact: Data Administrator
Local Composite Index
Virginia Department of Education
101 North 14th Street
Richmond, VA 23219
804-225-2099

C. Department of Taxation/State Tax Commissioner (Sec. 58.1-605, Code of Va.)

The Department of Taxation is responsible for recording the city or county from which local option sales taxes are collected. Instances of a boundary change by a city, the Department of Taxation needs to be apprised of those commercial entities which are brought within the municipality.

Contact: Tax Assistant Commissioner
Virginia Department of Taxation
2220 West Broad Street
Richmond, VA 23220
804-367-8007

D. County Treasurer [Sec. 58.1-605 (G), (H), Code of Va.]

The county treasurer is responsible for adjusting the local option sales tax distribution in instances of a town boundary change based on the percentage of the county's total school age population which resides within the boundary of the affected town.

Contact: Appropriate County Treasurer

E. Department of Criminal Justice Services (Secs. 9.1-165 & 9.1-172, Code of Va.)

The Department of Criminal Justice Services is authorized to revise its distribution of State law enforcement assistance payments (i.e., HB 599 funds) to counties, cities, or towns with police departments in instances of a boundary change.

Contact: Joseph Marshall
Virginia Department of Criminal Justice Services
805 East Broad Street
Richmond, VA 23219
804-786-1577

F. State Library Board (Sec. 42.1-48, Code of Va.)

The State Library Board is responsible for revising its distribution of library improvement grants to local and regional libraries in instances of municipal boundary change. The adjustment will be made based upon the population and land area of the affected county or city.

Contact: Elizabeth Lewis
Library Development Branch, The Library of Virginia
800 East Broad Street
Richmond, VA 23219
804-225-3892

G. Department of Transportation (Sec. 33.1-41.1, Code of Va.)

The Department of Transportation is responsible for adjusting the distribution of State assistance for road maintenance in instances of municipal boundary change. The adjustment will be based upon the population and the nature and mileage of public roadway of the area incorporated into the city or town.

Contacts: **For all cities, town with 3,500 persons or more, and towns below 3,500 population that maintain their own streets:**

Bernard Campbell, Urban Division
Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219
804-786-5718

For all municipal boundary changes:

Carl Sheets, Traffic Engineering
Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219
804-786-2811

II. LOCAL SOURCE REVENUES

A. Real Property Taxes (Sec. 15.2-3224, Code of Va.)

The commissioner of revenue of a county affected by city annexation or other boundary change action is responsible for certifying to the city's commissioner of revenue a list of all real estate within the affected territory.

Contact: Appropriate County Commissioner of Revenue

B. Public Service Corporation Taxes (Sec. 58.1-2601, Code of Va.)

The commissioner of revenue of a county affected by any municipal boundary change is responsible for providing the Clerk of the State Corporation Commission, the State Tax Commissioner, and each public service corporation located in the county a map of the territory affected by the action. The county, city, or town may not levy taxes on public service corporation real estate or personal property in the affected area until the adjustments in the local boundaries are certified by the State Corporation Commission and the Department of Taxation.

Contact: **For the assessment of railroad property and interstate pipeline transmission:**

Property Tax Manager
Virginia Department of Taxation
2220 West Broad Street
Richmond, VA 23220
804-367-8022

For the assessment of all other PSC property:

Public Service Taxation
State Corporation Commission
1300 East Main Street
Richmond, VA 23219
804-371-9670

III. ELECTORIAL REQUIREMENTS

A. Federal

Each city or town changing its boundary line so as to affect an area containing population, or which is amenable to population growth, is required to comply with the Voting Rights Act of 1965 as amended (28 CFR Part 51). Section 5 of the Voting Rights Act of 1965 requires the review and pre-clearance of the impact of the boundary change by the U. S. Department of Justice (or by the Federal District Court of the District of Columbia) before any municipal election can be held after the boundary change.

Contact: Chief, Voting Section
U. S. Department of Justice
P. O. Box 66128
Washington, DC 20035-6128
202-724-6261
<http://www.usdoj.gov/crt/voting/index.htm>

B. State

Each city or town changing its boundary should forward to the general registrar of that locality and the Secretary of the State Board of Elections (1) a map of the area affected, (2) a copy of the municipality's letter to the Department of Justice seeking pre-clearance of the boundary change, and (3) a copy of the responses received from the Department of Justice.

Contacts: Appropriate General Registrar

State Board of Elections
Ninth Street Office Building, Room 101
200 North Ninth Street
Richmond, VA 23219
804-786-6551

Staff
Commission on Local Government
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