

Code Citations for Mandates Suggested for Repeal/Revision by City of Alexandria

November 11, 2011
(Contact: Bernard Caton)

1. Line of Duty Act. This was shifted to localities in the State Budget.
2. Reductions in State Aid to Libraries. State Library regulations (17VAC15-110-10); I am guessing they use Section 42.1-52 for their authority, but I am not sure of that. The Library should be able to verify the Code cite.
3. Eligibility Determination for Safety Net Programs. This is more of a budget issue. I know of no Code sections to cite.
4. Child Welfare Programs. This is also more of a budget issue. I know of no Code sections to cite.
5. Comprehensive Services Act (CSA). This is also more of a budget issue—and a policy issue. I know of no Code sections to cite.
6. Car Tax and Reimbursements. This is also more of a budget issue—and a policy issue. I know of no Code sections to cite.
7. Public Hearing Notices. There are many land use processes and public hearings required by state law or Charter, so if this recommendation is adopted, someone (Legislative Services?) will need to do a careful search of the Code. Some sections that include public notice requirements are 15.2-1236, 15.2-1416, and 15.2-2204.
8. VDOT Approval of Red Light Camera sites. See section 15.2-968.1.J of the Code.
9. Licensing Local Government Loan Originators. This does not appear to be a Code requirement. The federal SAFE Act places training and licensing requirements on Mortgage Loan Originators, and the state has interpreted the requirements to cover local government employees. HUD's Final Rule that local government employees are not covered can be found at Federal Register, Vol. 76, No. 126, page 38466. Your department (VDHCD) advised its funding recipients that the Virginia SCC interprets the SAFE Act to cover local government employees.
10. The Workforce Investment Act monthly accrual reporting requirement came from the Virginia Community College System (VCCS). We do not know the basis VCCS uses for this ruling.

11. Family Partnership Meetings. This is also more of a budget issue—and a policy issue. I know of no Code sections to cite.
12. The State requires localities to provide a list of new hires to the State every month. I am not aware of the source of this requirement.
13. In addition to the suggestions made above with respect to eligibility, child welfare, and FPMs, there are a number of issues with respect mandates for social service programs that should be reviewed by the Task Force. This issue—as well as these examples—is more of a budget issue—and a policy issue. I know of no Code sections to cite.
14. CSA State Executive Council. Membership of the Council is set out in § 2.2-2648.



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November 3, 2011

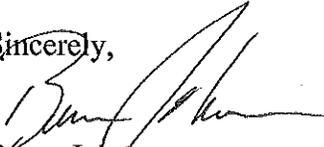
Susan B. Williams
Department of Housing and Community Development
600 E. Main Street, Suite 300
Richmond, Virginia 23219

Dear Ms. Williams:

The City of Alexandria would like to take this opportunity to recommend a list of mandates that should be considered by Governor's Task Force for Local Government Mandate Review for possible elimination or modification. Let me preface this by noting that one of the most burdensome mandates currently being imposed by the State on localities is the \$60 million dollar (annually) reduction in State appropriations for State-local programs, commonly referred to as the "Local Aid to the State" program. These funds are used in most cases to pay for programs mandated by the State. Yet with these cuts (which cost the City of Alexandria over \$2.5 billion this biennium) came no reduction in mandates. Frankly, it would be difficult to ease the mandates in these programs, since they are core government functions, such as running jails and court systems. Instead, localities are forced to pay an ever greater percentage of the costs of these programs of shared responsibility. Eliminating this program would likely bring the greatest benefit to local governments of any mandate relief program.

City staff has reviewed a number of other State mandates, and recommends the attached list, in priority order, for review by the Task Force. We are sure you will get many other worthwhile suggestions—some of which would likely help Alexandria—from other localities. We encourage the Task Force to seek meaningful and significant relief in its final recommendations.

Sincerely,



Bruce Johnson
Acting City Manager
City of Alexandria

Preliminary Suggestions for Consideration by the Task Force Reviewing State Mandates

Submitted by the City of Alexandria -- November 3, 2011

1. Line of Duty Act. This is one of the best examples in recent years of a mandate that the State put into the Code, as good public policy paid for by the State, but shifted to localities with no funding. The Line of Duty Act requires payments to public safety officials and their families if they are killed or disabled in the line of duty. The State initiated the program some 30 years ago and fully covered its cost. When State revenues fell in recent years, it shifted the responsibility for paying for this multi-million dollar program to localities.

2. Reductions in State Aid to Libraries. State Library regulations (17VAC15-110-10) state that:

“Local operating expenditures from taxation or endowment for any library, or library system, shall not fall below that of the previous year. In cases where the budgets of all the departments of the local government are reduced below those of the previous year, the library's state grant-in-aid would be reduced.”

Given the fact that many localities are seeing stagnant—or even falling revenues—it is unreasonable to expect that a locality will *never* reduce its appropriation to its library from one year to the next. A locality that increases its library appropriation by 10 percent each year for four years but then must reduce it by 5 percent in the fifth year because of a downturn in the economy is being harshly penalized by this regulation. This regulation should be revised.

3. Eligibility Determination for Safety Net Programs. There are significant regulations related to determining eligibility for all safety net programs, and a number of these are State-driven. New requirements are added without additional funding added to administer the programs and determine eligibility. Caseloads have risen dramatically and there has been no funding assistance provided from the State level. The State is cognizant of this problem and has been working on technology solutions that could assist in managing the growing caseloads. The development of customer portals where applications, changes etc. will be able to be completed by clients online is very encouraging. The portals are to become operational in the Spring. We do not know at this point if this will help management at the local level but it appears promising. The State has taken over and streamlined the process for child care payments and this new process will go into effect in Alexandria this winter. Similar enhanced automation processes should be implemented for Medicaid eligibility determination.

4. Child Welfare Programs. The State and localities have embarked on a transformation of child welfare services. Consultation from the Casey Foundation has provided the direction and the training for new best practices. This effort has improved services on the

local level but has increased the amount of time that staff has to spend on each case to provide services and document the services. The transformation has been a very effective and long overdue emphasis on improving services for our vulnerable children and families, but no new funding for staff is a part of the effort. Similar to eligibility determination described above, requirements have been added but no new funding has been provided by the State. The local share of costs has increased each year. This is an example of a mandate that initiated a new and better policy; but it is also an example of a case where the State should be a true partner and pay its fair share.

5. Comprehensive Services Act (CSA). The Alexandria CSA program has functioned exceptionally well and funding has been saved for both the State and the City with the successful effort to keep children in our community. This program was mandated with insufficient State funding for localities for administrative costs; new requirements are continuously added, thus increasing local costs—but no new State funding accompanies these new requirements. The state should either provide additional funding or revise its data collection and reporting procedures. In addition, regional service development should be encouraged by allowing localities to use the lowest match rate of the locality in that region in service development. Pool funding should be allowed to be used to provide up front development of services, rather than restricting funding to per child payments. Joint or State negotiation of services should be considered to lower costs of services.
6. Car Tax and Reimbursements. The Department of Motor Vehicles (DMV) requires annual certification of each vehicle for which a locality receives a partial reimbursement of the car tax. If DMV would *promptly* provide localities with information on new car purchases, vehicle disposals, changes of address, etc., it would be unnecessary for the City to send out a notice each year to each vehicle owner asking the owner to advise the City as to the accuracy of the City's ownership data.
7. Public Hearing Notices. There are many land use processes and public hearings required by state law or Charter, and they often require public notice in a newspaper of general circulation. This form of notice is outdated as more and more people depend on the internet (rather than newspapers) for their information--and newspaper notice is quite expensive. We believe public notice is critical to an informed population and serious debate about land use issues both large and small. The City's ad for the November 10 BZA meeting is being published this week in the Gazette at a cost of \$146. We have five Planning & Zoning-related public hearings each month for which we provide newspaper notice. If there could be a legal option of notice by an official internet site created for such purposes, we believe the public information objectives of the current requirement would be met.

8. VDOT Approval of Red Light Camera sites. Section 15.2-968.1 of the Code authorizes localities to use red light photo-monitoring equipment. Paragraph J of this Section says that, prior to the initiation of a program “A locality shall submit a list of intersections to the Virginia Department of Transportation for final approval.” Towns and cities in Virginia are responsible for the maintenance of their own roads, and their police enforce the traffic laws in the jurisdiction. There is no need for VDOT approval of the locality’s intersections.
9. Licensing Local Government Loan Originators. The federal SAFE Act places training and licensing requirements on Mortgage Loan Originators. The state has interpreted the requirements to cover local government employees working with federal, state, and locally funded home purchase and rehabilitation assistance, despite a HUD interpretation to the contrary. Specifically, HUD’s Final Rule on the subject explicitly states in its preamble (Federal Register, Vol. 76, No. 126, page 38466) that local government employees are not covered:

The SAFE Act does not cover employees of government agencies or housing finance agencies who act as loan originators in accordance with their duties as employees of such agencies. Individuals who act as loan originators as employees of government agencies or of housing finance agencies, as defined by this rule, are not subject to the licensing and registration requirements of the SAFE Act.

Subsequent to the release of HUD’s final rule, the Virginia Department of Housing and Community Development advised its funding recipients that the Virginia SCC interprets the SAFE Act to cover local government employees, and as a result, the Office of Housing incurred costs for licensing training for five staff during FY 2011 in connection with the administration of our loan programs. (DHCD itself managed to secure an exception for 2 of its programs.) Cost projections for compliance with the rule are estimated at almost \$770 per employee (registration and licensing - \$230, education - \$360, and testing - \$180) plus agency fees of \$200, and ongoing annual continuing education and compliance requirements and surety bonding.

10. Earlier this year, the City of Alexandria received a compliance review report from the Community College System (VCCS) on the City’s implementation of the Workforce Investment Act. One of the report’s recommendations was that the City report accruals (in accounting, a term used to refer to assets and liabilities) to VCCS on a monthly basis beginning August 25, 2011 (the report was issued August 1). Accruals are normally only done annually. The VCCS requirement has resulted in the creation of two new spreadsheets for this program, and \$10,000 in new personnel costs to implement this recommendation. Our understanding is that VCCS has also required this of other localities with Workforce Investment Act programs. The City believes that this is an unnecessary and expensive mandate.

11. Family Partnership Meetings (FPMs) are now required by the State for foster children at certain times in their lives; an expansion of the use of FPMs is anticipated. The City of Alexandria is currently using two staff members to conduct FPMs, and we anticipate needing additional staff in the future. The amount of reimbursement from the state is minimal, and it is based on the number of family partnership meetings that are held across the state so the amount varies from month to month. It was initiated as an incentive to get localities to conduct the family partnership meetings. The funding given by the state does not cover the cost of staff and other expenses that are related to organizing and facilitating the meetings.
12. The State requires localities to provide a list of new hires to the State every month. We question the value of this requirement.
13. In addition to the suggestions made above with respect to eligibility, child welfare, and FPMs, there are a number of issues with respect mandates for social service programs that should be reviewed by the Task Force. Examples of these are the following:
 - The State requires localities to have sufficient staff to manage the work of its social services departments, yet the General Assembly reduces funding provided to localities for this purpose; the cost is thus transferred to the localities.
 - The State requires localities to take responsibility indigent burials, yet it has terminated funding traditionally appropriated for this purpose; again, the cost is transferred to the localities. Alexandria paid \$33,500 for 27 indigent burials or cremations in FY 2011 (note that even when the State did provide funding for this, it limited it to \$500/burial or cremation).
 - Localities provide mandated services that are not reimbursed, such as paper applications for those without computers, and voter registration services, and immunization services for children who receive TANF benefits.
14. CSA State Executive Council. Although local governments are a major funding partner in CSA, representation on the State Executive Council does not reflect this fact. By giving local governments greater representation on this body, the SEC would be more sensitive to issues surrounding unfunded mandates on localities.