DRAFT MINUTES
Governor McDonnell's Task Force for
Local Government Mandate Review
December 13, 2012 at 10:00 AM
Library of Virginia – Conference Room A-B-C – 800 East Broad Street
Richmond, Virginia 23219

Members Present
The Honorable Pat Herrity, Chair
The Honorable Joan Wodiska, Vice-Chair
Kimball Payne

Members Absent
The Honorable Shaun Kenney
The Honorable Bob Dyer

Government Reform Commission Liaisons to the Task Force Present
The Honorable Alicia Hughes
[not present at beginning of meeting]

Government Reform Commission Liaisons to the Task Force Absent
The Honorable Suzy Kelly

I. Call to Order

Mr. Herrity called the meeting to order at 10:09 a.m. on December 13, 2012, in Conference Room A-B-C at the Library of Virginia in Richmond, Virginia. [The meeting was relocated to this room from the Patrick Henry Building, re-advertised and the original location was posted with a notice of the new location.]

II. Approval of Minutes of Task Force Meeting on November 14, 2012

Ms. Wodiska made a motion, which was seconded by Mr. Payne, to approve the draft minutes of the Task Force's November 14, 2012 meeting, as presented. Such motion passed unanimously.

III. Approval of Draft Agenda

Mr. Herrity presented the draft agenda for consideration, with one amendment: to switch the order of the subcommittee reports (Item VI) and Public Comment (Item VII), so that the Public Comment portion would come first. Mr. Payne made a motion, which was seconded by Ms. Wodiska, to approve the draft agenda, as amended. Such motion passed unanimously.

IV. Agency Updates and Presentations

Virginia Department of Health (VDH) and Virginia Information Technology Agency (VITA)

Joe Hilbert, Director of Governmental and Regulatory Affairs at VDH provided a presentation with an overview of information technology costs in the agency and at the local health department level. [A copy of the presentation is attached to these minutes.]

Mr. Herrity asked how much the IT costs for the agency have increased from before the establishment of VITA to present. Mr. Hilbert responded that from 2003 through 2012, costs have increased 200%.

Ashley Colvin, Legal and Legislative Specialist at VITA provided a presentation on the formation of Virginia's enterprise IT approach, service expectations, incident management, and ways to express concerns with VITA/Northrup Grumman (NG) services. [A copy of the presentation is attached to these minutes.]

Ms. Wodiska expressed concern that incident management is measured in business hours, which can spread across several days. She asked how these standards can be improved. Mr. Colvin responded that the NG contract requires continual improvement in service levels.

Mr. Herrity asked if VDH were exempted from the VITA contract, how would that affect the remaining agencies. Mr. Colvin responded that their analysis shows that it would increase costs to other agencies by about two percent.

Mr. Herrity announced that the Task Force would defer reviewing the Draft Task Force Report until after public input on the proposals for mandate elimination and funding.

V. Public Input

Mr. Herrity stated that he would call through the list of mandates included on Draft Appendix 2 [A copy is attached to these minutes], and interested parties could come forward to comment. The following mandates proposed for elimination received comment from agencies and the public:

Appendix 2: Mandates Recommended for Elimination in 2013.

10. DEQ – Recycling Report
Tim Lake, President, Virginia Recycling Association (oppose elimination)

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Will Sagar, Executive Director, Southeast Recycling Development Council (oppose elimination)

15. DHCD – Cash Proffer Reporting

Edward Mullen, Associate Attorney, Reed Smith LLC, on behalf of the Homebuilders Association of Virginia (oppose elimination)

16. DMV – PPTRA – Annual Certification

Michie Longley with DMV stated that the DMV does not require such notification, and has programs to regularly distribute information on vehicle registration changes to localities.

The Task Force requested that DMV communicate this information to the commenting localities.

17. DMV – TREDS – Dual Data Entry

Ms. Longley reviewed the benefits of the TREDS program.

Mr. Payne noted that there is a trend for electronic data-gathering to be pushed down from the state to local government, which may be the most appropriate way to handle this, however, there is also the potential that the costs of data-gathering are pushed down to the localities as well, without any reimbursement from the state..

Ms. Wodiska challenged DMV to look at this program and determine ways to reduce the burden on the locality, similar to the paperwork reduction initiative recently completed by the Department of Education.

The Task Force resolved that for the "roundtable discussion items" a 15% paperwork reduction should be a goal.

At this time, Ms. Wodiska needed to leave the meeting, and therefore a quorum would not exist. Mr. Herrity announced that the body would continue receiving public input, but no decisions would be made until a quorum was present.

21. DSS – Social Worker Nomenclature

Aimee Perron Seibert, Legislative Consultant, Virginia Chapter of the National Association of Social Workers (oppose elimination)

Ms. Hughes arrived at this point in the meeting.

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31. Procurement – Restrictions on Cooperative Procurement

Cynthia M. Shelor, President & CEO, John T. Morgan Roofing Co. (oppose elimination)

Wanda Edwards, Senior Director of Technical Services, RCI Incorporated (oppose elimination)

Randy Sansbury, Owner, Sansbury & Associates (oppose elimination)

Jim Tait, Virginia Association of Roofing Professionals (oppose elimination)

33. Procurement of Professional Services – Ranking & Negotiation

Reggie Jones of Williams Mullen, representing Virginia Society of Professional Engineers, American Council of Engineering Companies and the Virginia Society of the American Institute of Architects. (oppose elimination)

34. Public Notices for Public Hearings

Megan Rhyne with the Virginia Coalition for Open Government came forward to clarify that public notices are not required to be published in the newspaper for regular meetings.

35. Public Notices for Reassessment of Property

Ms. Rhyne noted that the Coalition would support measures that make it easier for the public to understand.

36. Public Notices for RFPs

Ms. Rhyne stated that the Coalition encourages both web and print advertising.

37. Real Estate Assessment Appeals, Burden of Proof

Mark Flynn, Virginia Municipal League stated that 2011 legislation should have resolved this issue.

42. Treasury – Abandoned Property Threshold

Vicky Bridgeman, Unclaimed Property Division Director with the Department of the Treasury provided clarifying information about these statutes.

43. Treasury – Abandoned Real Property

Ms. Bridgeman also provided clarifying information about this issue.

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44. VCCS – Reporting

Ellen Davenport, Asst. Vice Chancellor of Governmental Relations for the VCCS explained that this is a federal requirement of the Workforce Investment Act.

Bernie Caton, Legislative Liaison for the City of Alexandria suggested deferring this item so that the City can work through this with the Community College System.

46. VDH – Consumer Confidence Reports

Robert Payne, VDH clarified that the suggested solution was implemented for water systems serving under 10,000 customers, with an effective date of March 1, 2012.

51. VWC – Information Requirements for Claims

Vivian Guidt, Interim Executive Commissioner of VWC provided background information on the program requirements.

52. Zoning – Extension of Approvals Due to Recession

Mr. Mullen (oppose elimination)

53. Zoning – Helicopters

Mr. Flynn (suggested no changes to current law)

Appendix 3: Funding Requests

Mr. Herrity called for anyone who desired to comment on funding request items in Draft Appendix 3. [A copy is attached to these minutes.]

19. VCCS – Funding

Ms. Davenport explained that there is no requirement for localities to contribute to the community colleges in their service area. She said individual community college leaders frequently solicit localities for capital improvement funding.

20. VDH – Disposition of Dead Bodies

Rochelle Altholz, Office of the Chief Medical Examiner provided clarifying information.

23. VWC – Workers Compensation Payroll Tax.

Ms. Guidt provided clarifying information.

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Mr. Herrity asked if any members of the public desired to address the Task Force regarding any items that were not included on the lists. No one came forward.

The Task Force recessed at 12:30 p.m.

The meeting resumed at 1:00 p.m.

Ms. Wodiska returned, and a quorum was present.

VI. Task Force Deliberation and Action on the Draft Report and Recommendations

Recommendations

Mr. Herrity began reviewing the "Recommendations" section of the report.

At the Chair's request, Mr. Robbins reviewed the research conducted by staff regarding the fiscal impact review of legislation by other states. [A copy of Mr. Robbins' remarks are attached to these minutes.]

Additional discussion followed with respect to creating measurable expectations for locality/state agency standing discussions, and requiring fiscal impact analysis for all bills. Ms. Williams explained that every bill is examined by the Department of Planning & Budget, and the process by which a local fiscal impact analysis by the Commission on Local Government is initiated. She further explained that the removal of the first day introduction requirement for local mandate bills has resulted in fewer bills being referred to the Commission for review. Ms. Wodiska suggested that bills should be examined, as in other states, for impacts to the economy and job creation.

Mr. Herrity suggested that the first day introduction may need to be set aside as a separate recommendation, and that he would like to see the incorporation of economic impact review for all bills as a recommendation.

Mr. Payne suggested that the word "unfunded" be added to the last recommendation before the word "mandates."

Next, Mr. Herrity asked for suggestions on prioritization of the order that recommendations appear in the report. The Task Force resolved for the first recommendation to be "Establishing

a Framework for A Standing Discussion" and the Chair is to determine the appropriate order for the remaining recommendations.

Ms. Wodiska asked that the Department of Education, Library of Virginia and the Department of Social Services be recognized in the report for their efforts at easing local burdens.

Mr. Herrity stated that he will accept suggestions from members to the text, and that he will be drafting the cover letter soon.

Mr. Payne made a motion, which was seconded by Ms. Wodiska, to approve the State-Local Relationships Subcommittee report. Such motion passed unanimously.

Ms. Wodiska made a motion, which was seconded by Mr. Payne, to approve the General Mandates Subcommittee report. Such motion passed unanimously.

Ms. Wodiska discussed the Education subcommittee section of the report. She said that she wanted to make some changes to that section of the report: (1) to reflect proposals announced today by the Governor that are aligned with the Task Force's initiatives, (2) to reflect recent changes made to USDA requirements for school meals, (3) to refine language to clarify that certain suggestions are not interpreted as recommendations for new mandates, and (4) to shorten the length of the report.

Mr. Payne made a motion, which was seconded by Mr. Herrity, to approve the Education Subcommittee report, subject to the changes discussed. Such motion passed unanimously.

<u>Draft Appendix 3:</u>
Mr. Herrity then reviewed the list of funding requests, to be incorporated into the report as Appendix 3.

Mr. Herrity asked that # 19 (VCCS Funding) be removed and flagged for the non-mandate list.

Ms. Hughes suggested an appendix be added for those mandates that were not truly mandates.

Ms. Williams stated that due to staff constraints, such a project would have to come after the General Assembly session.

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Discussion ensued regarding suggestions the task force received that were not mandates, and how to communicate that information back to the localities. The Task Force resolved that this was worthwhile information to be communicated in the future, but insufficient time exists for inclusion in the report, and asked staff to determine the appropriate way to do so and report back. The Task Force further resolved to include about 5-6 of these items as samples in a new appendix, to be referenced in the State-Local discussion part of the report.

The Task Force resolved to drop #16 (PPTRA).

Ms. Wodiska asked that the funding request appendix include the recently announced Governor's Budget Amendment to provide additional funding for blind and visually impaired education, to which there was no objection.

The Task Force resolved to drop #14 (General – State Funding for Local Service Delivery).

The Task Force resolved to add a possible solution to # 1 (CB – Funding) to state "Fully fund the state's obligation."

After these amendments, the following items remained as Funding Requests in Appendix 3:

1 CB - Funding
2 CB - Per Diem Funding
3 Courts - Funding
4 CSA - Funding
5 DCJS - 599 Funding
6 DCR - Stormwater
7 DEQ - Biosolids
8 DEQ - Landfills
9 DEQ - Water and Sewer Plant Upgrades
10 DOC - Community Corrections
11 DOC - Payment in Lieu of Taxes
12 DOE - Special Education for Blind/Visually Impaired
13 DOF
14 DSS - FAMIS/CIMSIP
15 Local Aid to the Commonwealth and Aid to Localities
16 SBE - Funding
17 Telecommunications Tax
18 VDH - Disposition of Dead Bodies
19 VDOT - Funding
20 VRS - Retiree Health Insurance
21 VWC

Ms. Wodiska suggested including the Governor's proposal to provide teachers with pay increase, provided the local school division puts forth matching funds.

Discussion ensued as to whether this should be included as a funding request in the report. Alternately, the task force resolved to not include this as an item, but as a recommendation in the report.

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On a motion by Ms. Wodiska, which was seconded by Mr. Payne, the Task Force adopted Appendix 3, as amended.

Draft Appendix 1:

Next, Mr. Herrity presented Appendix 1, which included legislation passed last year cross-referenced to last year's report to the Governor. The Task Force resolved to approve Appendix 1.

Draft Appendix 2:

The Task Force then reviewed Appendix 2, and discussed the following changes:

1. Asked staff to maintain a separate list of federal mandates, not to be included in the report.
2. For education legislative proposals, provide a separate appendix, incorporating those included in the subcommittee report.
3. Include the word Eliminate or Repeal if no solution is already included.
4. Drop the following issues:

2 CB - Annual Funding Request
3 DCJS - Aux Police Training
9 DEQ - Nutrient Credits (likely a permit-specific requirement)
12 DEQ - Solid Waste Management Plans
15 DHCD - Cash Proffer Reporting
16 DMV - PPTRA - Annual Certification
18 DOC - Correctional Facility Standards
22 DSS - Social Worker Nomenclature
25 General Mandate Reform
27 Local employee Benefits - If self funded, provide more local control
28 Local employee Grievance - local control
31 Procurement - Restrictions on Cooperative Procurement
37 Real Estate Assessment - Appeals, Burden of Proof
38 Real Estate Billing Requirement
39 Revenue - Fees From Churches
42 TRS - Abandoned Property - Threshhold
43 TRS - Abandoned Real Property
44 VCCS - Reporting
46 VDH - Consumer Confidence Reports
49 VITA - E911
53 Zoning - Helicopters
55 Zoning - State mandated requirements generally

5. Move the following items to the "Further Discussion – Roundtable" list:

1 Capital Improvement Plan - Life Cycle Analysis
4 DCR - Conservation Easement Report
5 DCR - Stormwater
13 DEQ - Water Supply Planning - NEW
17 DMV - TREDS - Dual Data Entry
23 Energy Facility Siting
51 VWC - Information Requirements for Claims

6. Move the following items to the "Further Study" list:

10 DEQ - Recycling Report
14 DGS - DCLS - Lab Accreditation

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20 DPOR - Local Business Licensure
41 Tax Sale Procedures
54 Zoning - State Agency Exempt from Local Control

This left the following remaining to be included as "Mandates Recommended for Elimination" within Appendix 2:

1 Airports - Use of Urea for de-icing
2 DEQ - Administrative Process Act Exemptions
3 DEQ - Air Emissions Reporting
4 DEQ - Solid Waste - Financial Assurance
5 DSS - Annual Report of Guardians
6 Firearm Buyback Programs
7 Law Enforcement - Additional flexibility needed for officers serving certain orders.
8 Law Enforcement Overtime
9 Procurement - Competitive Negotiation for Goods or Non-Professional Services
10 Procurement - State Contract sharing with locals
11 Procurement of Professional Services - Ranking & Negotiation
12 Public Notices for Public Hearings
13 Public Notices for Reassessment of Property
14 Public Notices for RFPs
15 SBE - Electronic Voting Equipment
16 VDACS - Animal License Procedures
17 VDOT - Environmental Impact Analysis Requirement
18 VDOT - Local Comprehensive Plan Compliance
19 VDOT - Review of local development plans - 527
20 Zoning - Extention of Approvals due to recession

Ms. Hughes asked that at the next meeting the Governor's Office provide an update on executive action to eliminate or modify regulations or executive orders that are local mandates.

On a motion by Ms. Wodiska, which was seconded by Mr. Payne, the Task Force adopted Appendix 2, as discussed.

<u>Draft Appendix 4: Items Currently Under Study</u>
Mr. Herrity asked that the Task Force permit him to add and delete items from this section as needed as the report is finalized. There were no objections.

Ms. Williams noted that with respect to #20, Circuit Court Fee Collection, Chesterfield County, who originally suggested this item, has requested that it no longer be considered. Mr. Herrity concurred.

Mr. Herrity stated that he needed revisions to be submitted to him by Monday, and hoped to distribute to the members for comment by Wednesday. He would communicate with the Governor's office to see if they wanted to hold a press event for the release of the report.

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VII. Scheduling of Future Meetings

There was discussion regarding topics for future meetings. The Task Force resolved that the next meeting would be held on March 13, 2013, and the agenda would include:

- Update by the Auditor of Public Accounts.
- Discussions with senior officials at VDOT, DSS and DOE on how to conduct "roundtable discussions" with localities in the future.
- Update from the Governor's office regarding administrative actions to reduce burdens on local governments.

VIII. Adjournment

There being no further business, Mr. Herrity adjourned the meeting at 3:15 p.m.

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Virginia Department of Health - Overview

Presentation to Governor's Task Force for Local Government Mandate Review

December 13, 2012

Joe Hilbert

Director of Governmental and Regulatory Affairs

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

Virginia Department of Health (VDH) - Overview

- VDH consists of a Central Office and local health departments organized into 35 local health districts
- Each city and county must have a local health department
- The governing body of the locality may enter into a contract with VDH to operate the local health department, or it may choose to administer its own local health department
- All but two localities contract with VDH to operate their local health departments
- Local health departments are staffed by VDH state employees

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

Local Health Departments

- VDH utilizes a cooperative state/local budget to support the delivery of public health services.
  - Local health departments receive general fund allocation from VDH through a formula based on local ability to pay
  - Localities required to provide matching funds
  - Percentage contributed by localities ranges from 18% - 45% of total general fund allocation
- Localities may also choose to provide certain public health services using 100% local funds

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

VDH and Information Technology Services

- The Code of Virginia requires that all executive branch agencies must receive information technology infrastructure services from VITA and Northrop Grumman

- Infrastructure services include: computer hardware (desktops, laptops, networked printers, routers, switches, etc.), desktop support including a helpdesk for reporting problems, security, telecommunications, phones and computer refresh

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

VDH and Information Technology Services

- Prior to the implementation of VITA/NG, VDH's technology expenditures were discretionary
- With the implementation of the VITA/NG contract, VDH's technology expenditures are now "utility-based", meaning monthly fees are paid for services
  - This has resulted in increased cost

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

Goal - Ensure VDH is Receiving Excellent Infrastructure Services from VITA/NG

- There are processes a in place that help VDH and its local health departments work together with VITA/NG to discuss service delivery issues, mitigate future problems and escalate issues that require additional support
- Although local matching funds must be used to support health department programs, it as at the local health department's discretion as to how the money is allocated across specific programs.
  - It is therefore possible that local funds could be used to pay for VITA/NG fee

VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

Questions??

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Richmond, VA 23219
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VDH VIRGINIA DEPARTMENT OF HEALTH
Protecting You and Your Environment

Virginia Information Technologies Agency

Virginia's Enterprise Approach to Information Technology Services

Ashley Colvin
Legal and Legislative Specialist

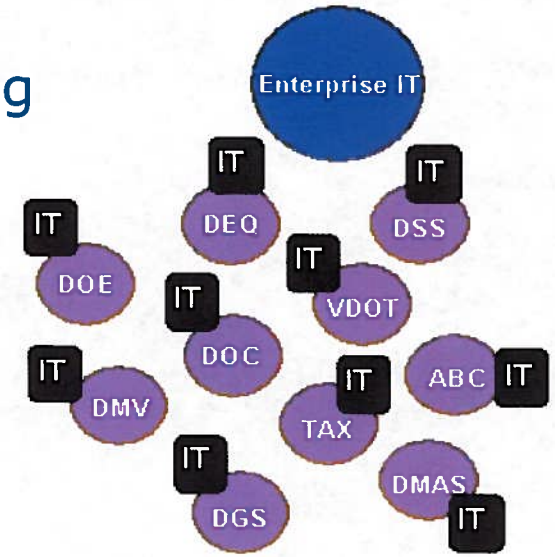
Governor's Task Force for Local Government Mandate Review

December 13th 2012

Virginia Information Technologies Agency

State of Technology, Pre-VITA

- 90+ independent, autonomous IT shops
  - Duplicative systems
  - Few metrics on performance & spending
  - Inability to leverage buying power or manage investments
- Aging, decades-old infrastructure
  - Inadequate security
  - Limited disaster planning
  - Inconsistent funding for infrastructure
- *Unsustainable*



Virginia Information Technologies Agency

Mandate for Enterprise-wide Change

- Executive & Legislative leaders called for
  - ***Business-like approach to managing IT services across enterprise of state government***
- Step 1: 2003 - Virginia Information Technologies Agency
  - "*Shared Services*" (private cloud)
  - Central oversight of IT projects, security, procurement, standards, policies & procedures
- Step 2: 2005 - Transformation of IT with Northrop Grumman
- Step 3: 2007 - Facilitate Enterprise Applications & Services
  - eHHR: Enterprise Delivery System Program, Enterprise Data Management, Commonwealth Authentication
  - Central Systems: Performance Budgeting, Cardinal

Virginia Information Technologies Agency

Enterprise IT Infrastructure (2012)

Computers
- 57,977 PCs
- 3,485 servers

Mailboxes
- 59,866 accounts

Data storage
- 1.4 petabytes

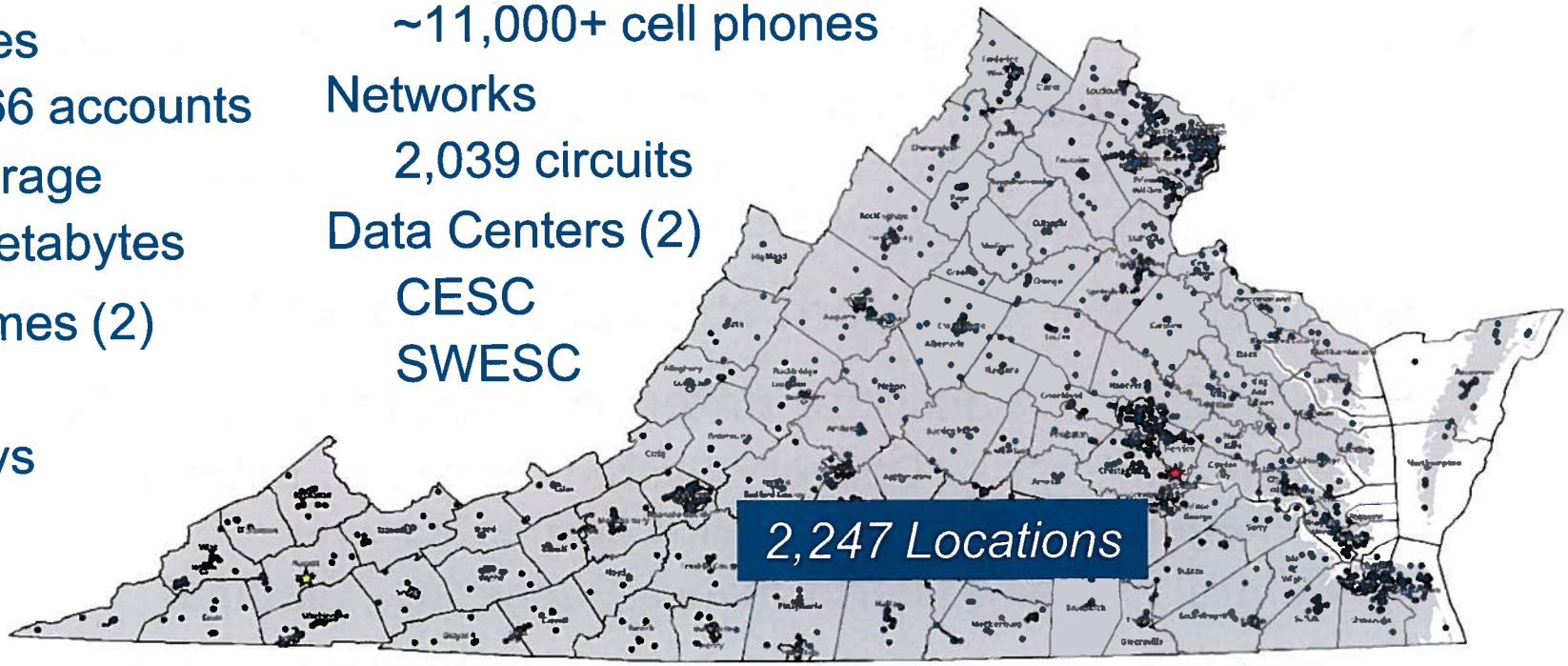
Mainframes (2)
- IBM
- Unisys

Communications
- ~55,000 desk phones
- ~3,600 handhelds (PDAs)
- ~11,000+ cell phones

Networks
- 2,039 circuits

Data Centers (2)
- CESC
- SWESC

Printers
- 5,674 network
- 22,000+ desktop



Virginia Information Technologies Agency

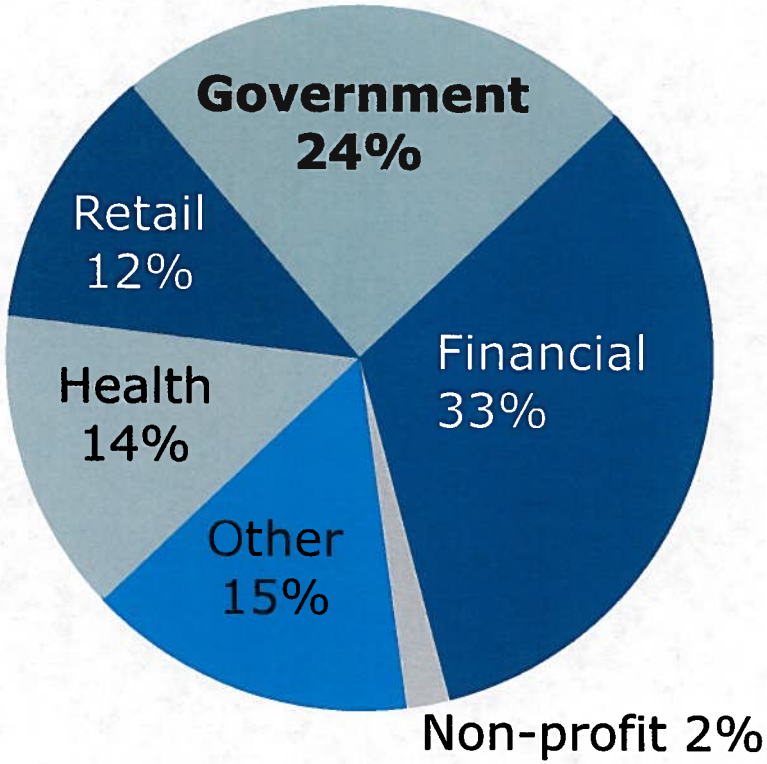
Enterprise Includes Local VDH Offices

- Packaged service, $112-$131 per month
  - Personal computers, Office software, email, network, help desk, & maintenance
- Continuous upgrades at no additional cost
  - 12,000 PCs refreshed in 2012, including 2,000 at state & local VDH
  - Enterprise Email System migration
    - Exchange 2010 with "hot" disaster recovery failover
  - Windows 7
- Other enterprise services also available

Enterprise Approach to IT Security

- Protecting CoVA Data 24 x 7 x 365
  - Intrusion detection & vulnerability scanning
  - Antivirus & firewalls
  - Spam & web content filtering
  - Centralized & automated software patching
  - Encrypted internal email
- Intelligence & Information Sharing
  - Collaborating with FBI, DHS and others to identify threats

Enterprise IT Security Benefits Local VDH



Security breaches of over 1 Million records

Source: Privacy Rights Clearinghouse, *A Chronology of Data Breaches*, Aug 2012

Government is #2 Target of Cyber Attacks

In 6 months, Virginia had

- 70,947,657 attack attempts
- 323,064,576 spam messages

*Jan – Jun 2012, transformed agencies only

Virginia Information Technologies Agency

Origin of Network Attack Attempts

Enterprise Help Desk Assists Local VDH

- Help desk responds to Incidents & Service Requests, which differ
- Incident – something has broken
  - Example of customer concern: "The network has been down for over 4 hours. This is unacceptable and has resulted in a business impact"
- Service Request – services are working, but need to be changed
  - Example: "I requested Adobe Acrobat be installed on my PC three days ago. Why isn't it done yet?"

49 Service Level Agreements (SLAs)

- SLAs address response times (targets) for Incidents & Service Requests
- Incidents receive priority
  - Targets range from 4 hours – 18 business hours
- Service Request targets depend on nature of request. Examples:
  - Restore production data: start within 4-8 hours
  - Install, Move, Add, Change: 5 business days (sooner based on ticket queue & incident status)

Closer Look at Incidents

- Incidents have three Severity Levels
- Severity 1 examples: complete failure of website, application, critical server
- Severity 2 examples: partial loss of functionality, intermittent outages, slow network speed
- Severity 3 examples: single user's device is malfunctioning (telephone, PC)

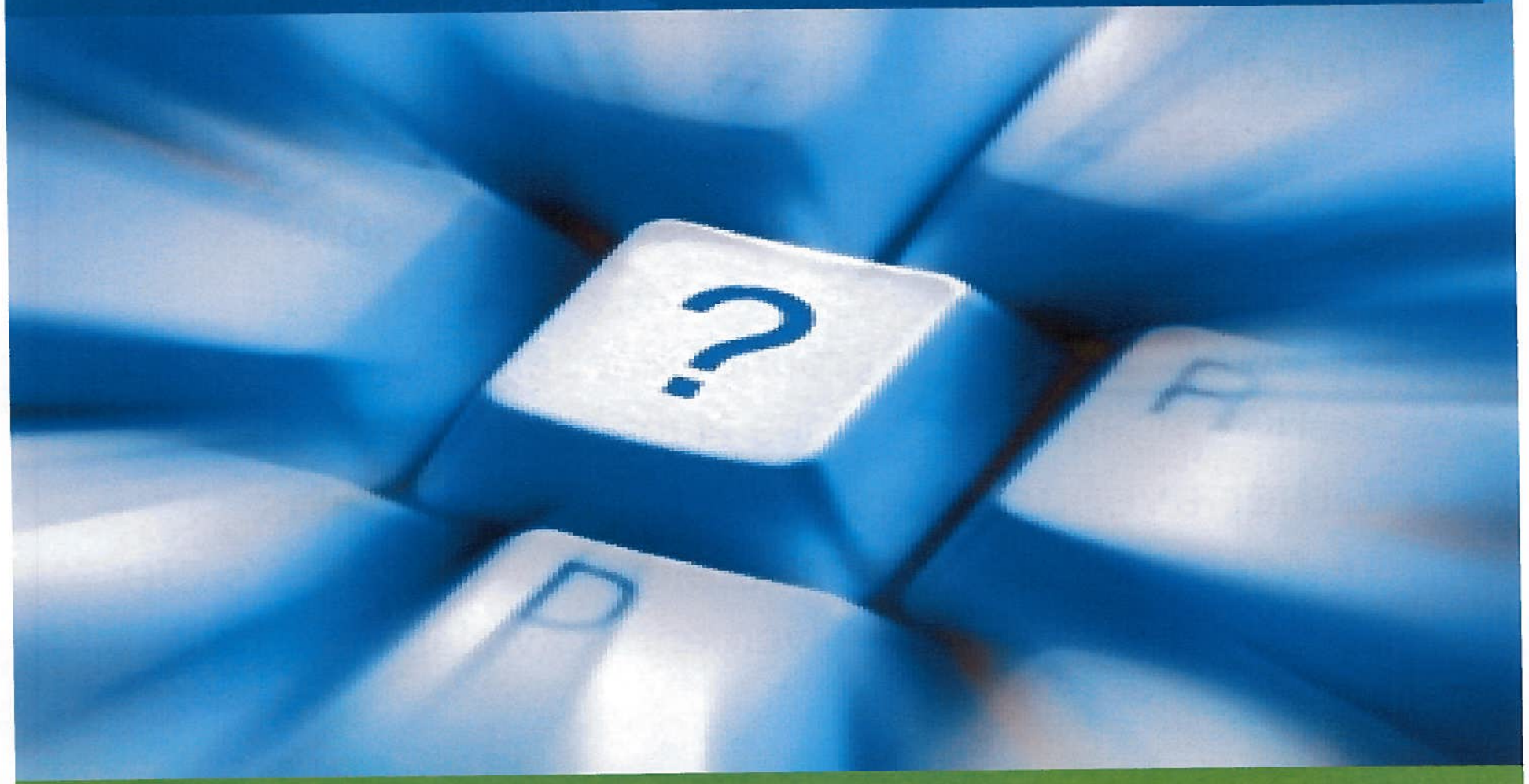
SLA Data at VDH Over Past Year

- 6 Severity 1 incidents, all addressed on time (4-8 hours)
- 628 Severity 2 incidents, 98% addressed on time (8-16 hours to resolve)
  - Individual incidents lasted 0.1 - 20 hours
  - 80% resulted from circuit failures & power outages
- 1,661 Severity 3 incidents, 97% addressed on time (16-18 business hours)

Multiple Avenues for Communication

- Local VDH offices have several ways to express concern or request assistance
- Each state agency has assigned liaisons
  - VDH's Agency IT Representative (AITR)
  - VITA's Customer Account Manager (CAM)
  - NG's Agency Operations Manager (AOM)
- Other avenues exist to address concerns
  - Agency CIOs communicate directly with VITA's CIO
  - Secretarial-level involvement is available

Questions?



Appendix 2:
Mandates Recommended for Elimination in 2013

No.	Subject	Description	Possible Solution	Reference
1	**Airports - Use of Urea for de-icing**	Legislation enacted in 2011 banned the sale of urea for the purpose of deicing, however the consumption of urea for deicing by regional and community airports is currently permitted as long as its use is below thresholds of benchmark monitoring parameters of stormwater permit requirements.	Permit the continued use of urea by airports as long as the materials can be used within the parameters of their existing stormwater permits.	§ 3.2-3607.2
2	**DEQ - Administrative Process Act Exemptions**	We have seen numerous times when DEQ monitoring limits, regulations, inspection requirements, permit fees, etc are changed internally with no notification of the affected localities.	Have DEQ follow the same requirements and guidelines of all other state agencies when rules and regulations are changed or modified.	
3	**DEQ - Air Emissions Reporting**	Local governments that operate landfills, incinerators, wastewater treatment facilities, boilers, or other facilities that generate air pollution must comply with air emissions standards and permitting requirements. One jurisdiction mentioned that they are required to report for their Water Pollution Control Facility (WPCF) since the boilers burn diesel fuel.	The burden associated with this reporting seems unwarranted. WPCF's should be given a general exemption as long as they do not incinerate.	SNR.DEQ031
4	**DEQ - Solid Waste - Financial Assurance**	Financial Assurance for Corrective Action -Under this citation, a landfill is to provide financial assurance upon triggering the need for corrective action to address a groundwater impact. The value is set arbitrarily at $1,319,447.00 until such time as a corrective action plan is written into the landfill permit, at which point the actual estimated dollar figure for the corrective action (invariably much less than $1 million) is used as the basis.	We request that no financial assurance burden for corrective action be placed on closed non-Subtitle-D landfills until the landfill permit is revised. At that point the financial assurance would be based on the actual corrective action plan incorporated into the permit.	§ 10.1-1410 & 9VAC20-70-113
5	**DSS - Annual Report of Guardians**	Annual Report of Guardians--state code outlines specific procedures for the filing and reporting of the annual report of guardians. The rigorous requirements seem overly burdensome and draining on local government resources.	Amend § 37.2-1021 so that guardians file annual reports with the local department of social services (LDSS) in the jurisdiction in which the incapacitated person resides, rather than in the jurisdiction where the guardian appointment will occur. Further, LDSSs would no longer be required to forward annual reports to the LDSS where the incapacitated person resides. Suggested language has been submitted to the Task Force.	SHHR.DSS067 & § 37.2-1021
6	**Firearm Buyback Programs**	In order for a locality to participate in a program in which individuals are given a thing of value in exchange for surrendering a firearm to the locality, the locality must first adopt an authorizing ordinance. Such ordinance shall require that any firearm received shall be offered and duly advertised for public auction or sealed bidding to an authorized firearms dealer. After such offering, the locality may then dispose of any remaining firearms in the manner it deems proper, which may include destruction or sales to a licensed dealer.	Eliminate.	§ 15.2-915.5 & NSO.127
7	**Law Enforcement - Additional flexibility needed for officers serving certain orders.**	Local police departments are required to serve all emergency custody orders (ECOs), temporary detention orders (TDOs) and all protective orders. This impacts the availability of a police officer for extended periods of time and may result in frequent overtime costs when officers serving ECOs and TDOs must remain with patients beyond the normal work hours.	Modify code to reduce the impact to local law enforcement agencies. Specifically, additional flexibility should be provided for local officers when serving such orders.	§ 37.2-810
8	**Law Enforcement Overtime**	Overtime must be paid to fire and law enforcement employees based on their total paid hours (including annual and sick leave) as opposed to their total hours worked.	Eliminate the requirement. The Federal Fair Labor Standards Act (FLSA)would still be applicable.	§§ 9.1-700 et seq.

No.	Subject	Description	Possible Solution	Reference
9	**Procurement - Competitive Negotiation for Goods or Non-Professional Services**	In order to use competitive negotiation for the purchage of goods or nonprofessional services, there is a requirement to document in writing that competitive sealed bidding is either not practicable or not fiscally advantageous. If you choose the wrong procurement method, having this documentation on file does little to enhance the accountability of the procurement.	Eliminate.	§ 2.2-4303 (C)
10	**Procurement - State Contract sharing with locals**	Allow local governments to "piggy back" on state contracts for services like insurance, purchasing, healthcare, and maintenance where the locality determines such action to be cost-beneficial. This principle can also be applied to mental health and other provider services where certain localities may be penalized by the private sector for not being able to guarantee a certain volume of business or where the state-local matching rates are so unfavorable that local governments are forced not to provide a needed service.	Grant permission for localities to utilize state contracts for a broader array of services.	§ 2.2-4304
11	**Procurement of Professional Services - Ranking & Negotiation**	Procurement of professional services requires ranking of offerors and negotiation with the offeror ranked first. If no agreement is reached, negotiations with the first offeror are terminated, and so on until an agreement is reached.	The current practice is not consistent with the competitive negotiation process for goods and nonprofessional services. That process allows for concurrent negotiations with the top ranked offerors, enhancing the public body's ability to obtain a better result for taxpayers.	§ 2.2-4301, definition of "Cooperative Procurement," paragraph (3)(a)
12	**Public Notices for Public Hearings**	Newspaper Ads--current code mandates that newspapers be utilized for public meeting notices for a local government. This is very expensive to enact and electronic resources could be implemented.	At the option of the local government, permit localities to provide public notices electronically In addition to or instead of publishing notification in newspapers.	Refer to HB773 (2012)
13	**Public Notices for Reassessment of Property**	The code specifies an exact font, location to be used in the newspaper, and wording. This makes these notices more expensive. Also, the wording that has to be used is very difficult for the average citizen to understand.	Eliminate.	§ 58.1-3321
14	**Public Notices for RFPs**	The procurement act requires public notice of requests for proposals in a newspaper of general circulation.	Eliminate. It is more effective to post these online.	§ 2.2-4301, definition of "Cooperative Procurement," paragraph (2)
15	**SBE - Electronic Voting Equipment**	The purchasing of electronic voting equipment is restricted.	Remove/modify the restrictions.	§ 24.2-626
16	**VDACS - Animal License Procedures**	Local treasurers are to receive rabies vaccination records from veterinarians in their jurisdiction, then take action to ensure the licensure of such dogs including forwarding information to other jurisdictions of the dog owner resides elsewhere.	Amend Title 3.2, Chapter 65 and § 18.2-403.3 to remove the limitation on local animal license fees, to permit these fees to be used toward the administration of dog and cat licenses, and to replace all references to a 'license tax' with 'license fee'.	§§ 3.2-6500 et seq.
17	**VDOT - Environmental Impact Analysis Requirement**	Any local government must prepare an Environmental Impact Report for any highway construction, reconstruction or improvement over $500,000. The low threshold results in having to prepare reports many projects and increases the cost of transportation projects.	Raise the threshold to $2,000,000.	SNR.DEQ038
18	**VDOT - Local Comprehensive Plan Compliance**	Localities comprehensive plans must comply with the statewide transportation plan, or risk loss of construction funding.	Repeal.	§ 15.2-2223
19	**VDOT - Review of local development plans - 527**	Additional development review is not needed and impacts the timing on development review processes. The review can be accomplished by coordination between jurisdictions.	Repeal.	§ 15.2-2222.1

Appendix 2:
Mandates Recommended for Elimination in 2013

No.	Subject	Description	Possible Solution	Reference
20	**Zoning - Extention of Approvals due to recession**	Extends the period of validity for certain local land use approvals, to July 1, 2017. Extends sunset, and expands eligibility for extension of land use approvals. This essentially removes the ability for the locality to have 'expiration dates' for certain approvals.	Modify so that the extension of such approvals is at the option of the locality, rather than mandated by the state.	§ 15.2-2209.1

Appendix 3:
Funding Requests

No.	Subject	Description	Possible Solution
1	**CB - Funding**	Constitutional Officers are state mandated positions which each locality must have. These include sheriffs, clerks of the circuit court, tresasurers, commissioners of the revenue, and commonwealth attorneys. There are several issues surrounding the funding and accounting of these positions and local governments have voiced their concerns.	Fully fund the state's obligation.
2	**CB - Per Diem Funding**	The per diem funding for state prisoners held in local jails is insufficient.	Increase funding.
3	**Courts - Funding**	Local governments are responsible for significant costs associated with operating courts throughout the Commonwealth.	Additional funding.
4	**CSA - Funding**	The Commonwealth has reduced its burden of the costs and administrative over head of this program while at the same time requiring local governments to give more.	Additional funding and administrative support.
5	**DCJS - 599 Funding**	Funding levels for this program which provides vital assistance to local police departments has been reduced.	Additional funding.
6	**DCR - Stormwater**	Local governments are required to remit 28% of all stormwater fees collected to the state while at the same time being solely responsible for the administration of stormwater management programs.	Eliminate the requirement to remit 28% of stormwater fees collected to the Commonwealth.
7	**DEQ - Biosolids**	Monitoring and enforcing biosolid standards is currently reimbursed by the Commonwealth at a rate not sufficient to meet the enforcement needs.	Increase funding for this reimbursement or allow local governments to increase fees for permit holders.
8	**DEQ - Landfills**	The fees associated with the corrective action permit amendment is excessive and burdensome.	Decrease this fee.
9	**DEQ - Water and Sewer Plant Upgrades**	State and federal regulations with regards to water and sewer plants has resulted in excessive costs being placed on local governments.	The state should share in the cost of upgrades mandated by state regulations.
10	**DOC - Community Corrections**	The state established an alternative sentencing program for non-violent offenders and has since been underfunding the program.	Additional funding.
11	**DOC - Payment in Lieu of Taxes**	Payment in lieu of taxes has been exempted by the Commonwealth resulting in a loss of revenues.	Restore payment in lieu of taxes.
12	**DOE - Special Education for Blind/Visually Impaired**	Of the 17 special education disability designations recognized in Virgiina, only blind and visually impaired are not currently funded by the Commonwealth.	Fully fund the SOQ in the blind and visually impaired areas, to help cover the costs of teachers, aides, and staff.
13	**DOF**	When entering into a contract for services with the Dept of Forestry, local governments are required to reimburse the Department of Forestry for forest fire protection at a prohibitive rate. Such amount shall not exceed, in any one year, an amount equal to seven cents per acre of privately owned woodland beginning July 1, 2008, and nine cents per acre beginning July 1, 2009. A locality should not have to pay for the operations of a state agency.	Reduce the per acre rate for this service.
14	**DSS - FAMIS/CIMSIP**	Administrative responsibility for this program was pushed back down to localities, after being taken over by the state as a means to reduce funding to the localities. Little to no funding is received for this service.	Increase funding.
15	**Local Aid to the Commonwealth and Aid to Localities**	Aid to Localities has been reduced in recent budget cycles placing significant strain on local governments. Local Aid to the Commonwealth has resulted in local governments being required to return funds to the state or reduce state-funded services at the local level.	Restore funding levels and eliminate proposed reductions. Eliminate the required aid to the Commonwealth and service reductions.
16	**SBE - Funding**	The cost of administering elections should be shared by the state as well as costs associated with hiring state mandated positions and the acquisition of voting machines.	Increase funding and support.
17	**Telecommunications Tax**	The replacement 5% tax for local telecom taxes and fees has resulted in local governments losing revenues.	Modify the taxing structure to increase the revenues to local governments.

No.	Subject	Description	Possible Solution
18	**VDH - Disposition of Dead Bodies**	Local governments are mandated to provide for the disposition of unclaimed dead bodies while the state has exempted themselves from this mandate.	Remove this mandate or provide funding.
19	**VDOT - Funding**	Road maintenance funds are targeted for reduction.	Do not decrease funding for road maintenance.
20	**VRS - Retiree Health Insurance**	The cost for this program has been devolved to local governments since 2002 despite its being established as a state funded program.	Fund this program as was originally intended.
21	**VWC**	Self-insured localities are charged duplicative taxes and fees by the state for workers compensation.	Remove the mandate for these payments.

Recently, in-depth studies of local government mandates were completed for the states of Michigan and Pennsylvania. Both studies described processes that were in place for other states to identify and estimate the fiscal impact of local mandates, including those processes used for proposed legislation in Virginia. Of the 50 states, 48 produce fiscal analysis statements for proposed legislation, and 42 incorporate local government impacts into that analysis.[1] According to the Michigan report, the process to initiate a bill's local fiscal impact review varies from state to state, but the actual review processes among the states is rather similar.

TRIGGERING THE FISCAL IMPACT REVIEW PROCESS

The processes used to determine whether proposed legislation should be subject to fiscal impact review range from Massachusetts, where the Division of Local Mandates reviews every introduced bill for potential local impact, to the eight states that require no fiscal impact analysis on local government bills at all. Virginia's procedure, whereby the Division of Legislative Services, along with the input of local government organizations, determines whether a bill is subject to local fiscal impact analysis is similar to several of the other states noted in the aforementioned study. Some of the states with local fiscal impact study processes that are only initiated when requested by local government associations, or only if the patron of the bill desires.[2]

FISCAL IMPACT REVIEW DATA COLLECTION AND ANALYSIS

Michigan's study found that some states have tended to concentrate their data outreach efforts to larger localities that have the resources to respond to requests for data in a short amount of time. This can skew the data, as impacts to different sizes and types of localities can vary greatly.[3]

Virginia, in its efforts to reach a cross-section of localities for fiscal input, attempts to gather volunteers from cities, counties, and towns of varying sizes that are geographically distributed across the state. The Michigan report points out that Virginia has the advantage of additional time to receive local input, since there is a requirement for first-day introduction of bills with local fiscal impact (though that provision has since been repealed).[4]

Massachusetts samples 40 (11%) of its municipalities. Similar to Virginia, those localities are selected from a "stratified sampling" to ensure that the entire state is represented. In addition, a computerized cost model has been constructed using data from each round of cost estimates that has enabled the state to create estimated statewide cost estimates for all jurisdictions over a three year period.[5] It is

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[1] Wall, Audrey, "Chapter 3: Legislative Branch," in *The Council of State Governments 2010 The Book of the States,* The Council of State Governments, Lexington, Kentucky, 2010, <http://knowledgecenter.csg.org/drupal/system/files /Table_3.18.pdf > (November 29, 2012).
[2] Michigan Report p. 35-36 and Pennsylvania Report pp. 3-4 and 3-5
[3] Michigan Report p. 37
[4] Ibid
[5] Ibid p. 38

noteworthy that in Massachusetts, constitutional provisions exist for localities to be reimbursed for new mandates, necessitating the need for statewide data.[6]

In Missouri, the number of participants is not managed, and response rates tend to be greater for legislation of higher significance. There is no attempt at sampling, as any political subdivision may provide information. Therefore, biased responses may occur if certain types of localities are over-represented. Also, the potential exists for multiple respondents from a single jurisdiction, further skewing results.[7]

While this is a brief summary of some of the states' mandate control programs, additional information on these and other states are available in the following documents:

Senate Resolution 323 of 2010 Report: Study of Statutory Mandates Placed on Counties and Municipalities, Local Government Commission, General Assembly of the Commonwealth of Pennsylvania, Harrisburg, Pennsylvania. (pp. 3-2 through 3-5)

http://www.lgc.state.pa.us/whats_new_sr323.shtml

Report 355, Reforming the Process for Identifying and Funding Section 29 Mandates on Local Governments, Citizens Research Council of Michigan, July 2009, Livonia, Michigan. (pp. 19-21 & pp. 35-38)

http://www.crcmich.org/PUBLICAT/2000s/2009/rpt355.html

[6] Mass. Constitution Art. CXV of Amendments
[7] Michigan Report . p. 38