

**GOVERNOR'S TASK FORCE
FOR LOCAL GOVERNMENT MANDATE REVIEW**



INTERIM REPORT TO THE GOVERNOR

August 27, 2015

August 27, 2015

Dear Governor McAuliffe:

I am pleased to submit for your review this interim report of the Governor's Task Force for Local Government Mandate Review. We have met several times over the last year and received input from localities, stakeholder groups and state agencies. This report represents the priorities the Task Force hopes that you will consider as you prepare your 2016-2018 Biennial Budget and for the overall 2016 General Assembly session.

Throughout the last year, the Task Force has received presentations from JLARC on Line of Duty Act reforms, DEQ on upcoming changes to stormwater management laws, and DPB on the regulatory review process. We thank these entities for their assistance with these topics and the discussions that ensued.

During the upcoming year, we intend to continue monitoring policy areas that impact localities, and bringing agencies and local officials together for roundtable discussions.

Thank you for providing us the opportunity to improve the relationship between the Commonwealth and its local governments. We look forward to developing additional recommendations and will provide you with periodic progress updates.

Sincerely,

A handwritten signature in black ink, appearing to read "Wyatt Shields". The signature is written in a cursive, flowing style.

Wyatt Shields

Chairman

**MEMBERS OF THE
TASK FORCE FOR LOCAL GOVERNMENT MANDATE REVIEW**

Wyatt Shields, Chair

City Manager, City of Falls Church

The Honorable Mimi Elrod, PhD, Vice-Chair

Mayor, City of Lexington

The Honorable George Wallace

Mayor, City of Hampton

Gary Larrowe

County Administrator, Carroll County

Marcus Newsome, EdD

Superintendent, Chesterfield County Public Schools

INTERIM REPORT OF THE TASK FORCE FOR LOCAL GOVERNMENT MANDATE REVIEW

August 27, 2015

For the 2016 Virginia General Assembly session, the Governor's Task Force for Local Mandate Review has identified several priorities for the Governor and legislature to consider. We respectfully request consideration of the following priorities:

1. Protect Local Government Authority to Raise Revenue

Over the past several years, many proposals have been advanced to the legislature to overhaul certain local taxes or to exempt certain classes of real estate from taxation. These measures generally do not have any impact to the Commonwealth's finances, but can have a significant impact on local government revenues.

The intent of these measures varied, as some were intended to create statewide uniformity among local taxes, while some provided general tax relief, and some provided tax relief to a specified class of entities or individuals. Examples of these measures include:

Real Property Tax Exemptions. For many years, local governments have had the option to provide real estate tax exemptions for the primary residence of elderly and disabled persons, although recipients of the exemption must meet income and net worth restrictions. Following a constitutional amendment passed in 2010, localities were required to exempt primary residences owned by disabled veterans (and their spouses) from real estate taxation, and again in 2014, the Constitution was amended to extend such an exemption to the primary residence of individuals whose spouses were killed in action. These exemptions that began in 2010 and 2014 have no limitation on the beneficiary's income or net worth. Because Virginia's military presence is concentrated in Hampton Roads and Northern Virginia, these tax exemptions will impact localities in these regions more than in other parts of the State.

In addition, a new constitutional amendment pending before the General Assembly next year and to be placed on the November 2016 ballot will, at local option, exempt the primary residence of the survivors of "first responders" killed in the line of duty regardless of whether the responders worked for local government, state government or the federal government and regardless of whether the responders were killed in Virginia.¹ The hodgepodge approach imposed by state government to determine eligibility and administer the tax benefits of these various tax relief programs is inefficient and inherently unfair to the taxpayer and to the special tax classes.

Business Taxes. The Business Professional and Occupational License (BPOL) Tax has been subject to criticism from certain business sectors in recent years. The business community contends that the tax is unfair because it is assessed on gross receipts instead of net income (profits), penalizing businesses that generate little or no profit in a given year. A Joint Legislative Audit and Review Commission (JLARC) report in 2013 revealed that if the tax were based upon profits instead of total receipts, localities would have to raise the tax rate by 40% in order to remain revenue neutral, essentially shifting the entire tax

¹ H.J.R 597 (2015).

burden to profitable businesses. JLARC's report also found that administering the tax if it were based on net income would be expensive, and most beneficial for larger businesses, retailers, and those with little to no profit. Two other taxes, the Machinery and Tools Tax (M&T) and the Merchant's Capital Tax are property taxes that are also frequently cited as a hindrance for business expansion.

Altogether in FY 2013, BPOL, M&T and Merchant's Capital taxes generated \$930,156,159 for cities and counties, or 5.14% of total local source revenues to cities and counties. Only one locality – Rappahannock County – reported no FY 2013 revenues from any of these sources.²

RECOMMENDATION: The Commonwealth should not eliminate any local taxing authority without providing a replacement taxing authority of equal or greater value.

2. Eliminate the State capture of local fines and forfeitures

The 2012 General Assembly altered how fines and fees assessed by local ordinances were transferred from local courthouses to localities' coffers. In FY 2013 all fines and fees collected by local courts were deposited to the state's General Fund, and the state would then distribute the local fines and fees monthly to each locality. The state also decided to retain one-half of local fines and fees that were in excess of 50% of the total state and local collections within a city or county. The legal basis for the state's action was assumed on a line of reasoning later repudiated by the state's Inspector General and by the Attorney General.³ Under a quirky state-driven formula a number of localities were unfairly targeted. "Reforms" adopted in the 2015 legislative session ballooned the number of affected localities from five to 33. The money to be seized in FY 2016, estimated to be almost \$1.0 million, is not budgeted for any purpose in the Appropriation Act. The General Assembly recognizes that grabbing local fines is not a reliable funding source. See the attached list of impacted localities, entitled 'Fines and Forfeitures Calculation' provided by the Senate Finance Committee.

RECOMMENDATION: Eliminate the budget language in Item 3-6.05 authorizing the capture of local fines and forfeitures to the state treasury.

3. Line of Duty Act Program: Fully fund, Improve Administration and Ensure Long-Term Fiscal Stability

The Line of Duty Act provides benefits to public safety employees, or their survivors, should they die or become disabled in the line of duty. The primary benefit until 2000 was a cash payment; however at that time benefits were expanded to include health insurance benefits for disabled persons, their spouses and dependents, and the spouses and dependents of the deceased. This additional benefit increased the cost of the program significantly. All of the benefits for this state-created program were paid for with state funds until FY 2012.

After FY 2012, the state no longer provided funding to insure local public safety employees, so local governments were then required to pay the premium for this coverage to the State, or opt out and seek

² Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures for the Fiscal Year Ended June 30, 2013.

³ Office of the State Inspector General, Report on the Independent Evaluation of Court Fines and Fees, May 2013.

similar coverage on their own. As of FY 2013, the statewide cost to localities to provide these benefits is estimated to be \$9,727,000 annually.⁴ The state instituted these benefits, and expanded the benefits over time, making the program more costly. Now that the cost has become too great for the State, the cost, as well as the associated liability to payout claims, has been shifted to local governments.

JLARC released its comprehensive study of the Act, and found that Virginia is one of only eight states to offer death benefits and health insurance benefits to state and local public safety officers. Further, Virginia also has more broadly defined eligibility criteria than any of the other seven states. The JLARC report made a series of recommendations to improve the administration and efficiency of the program. JLARC also presented a series of options to improve the financial sustainability of the program, including some options that would tighten the eligibility criteria or otherwise change the benefits available under the act. The

**Estimated FY13 Cost to
Localities: \$9,727,000**

**Projected Statewide Cost
(state & localities):**

FY15 \$15.7 million

FY24 \$34.1 million

Source: JLARC

General Assembly adopted legislation at the 2015 session that would put in place some of the administrative recommendations made by JLARC, but that included a reenactment clause stating that the bill would not be effective unless re-adopted at the 2016 session.⁵ The bill also codifies the current language in the Appropriation Act that requires local governments to pay for the benefits for local employees. Further, the bill directs the state to work with stakeholders on how to improve the act administratively and how to improve its long-term fiscal stability. This work group is expected to complete its work in September. So far the work of the group has focused on administrative and organizational issues as opposed to more challenging issue of ensuring long-term fiscal stability.

RECOMMENDATION: Local governments still support returning the funding responsibility of this program to the State. The State created this costly benefit and should be responsible for paying its costs. In absence of this action, the State should adopt the recommendations proposed by JLARC to improve the administration of the Act and should adopt options discussed by JLARC to ensure the long-term fiscal stability of the program.

4. Reinstate the First-Day Introduction Requirement for Local Fiscal Impact Legislation

One of the consequences of Virginia's relatively short General Assembly sessions is the fast pace at which legislation makes its way through the legislature once it is introduced. This can make it difficult for stakeholders such as local governments, as well as the public at-large, to stay on top of legislation that can have serious impacts. When the legislature approves bills that increase a locality's expenditures, or reduce their revenues, localities are forced to respond by increasing taxes and fees, or by reducing services.

From 1995 through 2010, any proposed legislation that would potentially impact localities by causing a net additional expenditure or a net reduction in revenues was required to be introduced no later than the first day of the General Assembly session. This provided sufficient time for localities and affected

⁴ JLARC, Virginia's Line of Duty Act, December 2014.

⁵ H.B. 2204 (2015).

interest groups to analyze the legislation for any fiscal impact before the bills were heard in committee. In addition, the Commission on Local Government drafts fiscal impact statements on these bills, which requires several days for localities to provide fiscal data to the commission. These fiscal impact statements are prepared so that legislators can make informed decisions when the bill is in committee. In 2010, the legislature eliminated the requirement for these bills to be filed early, along with the same requirement for bills proposing sales tax exemptions, claims against the state, and increased terms of imprisonment. Only bills affecting the Virginia Retirement System are still required to be filed early.

Under the procedures in place from 2010-2015, a bill with a local fiscal impact could be filed until the tenth day of session. During a short session, the house of introduction must have completed action on bills for crossover by the 28th day of session. This constrained timeframe leaves little time for the referral of the bill to the commission, to engage its volunteer localities for data, and to compile the responses. During short sessions, it is not uncommon for the fiscal impact statement to be completed the day before it goes to committee. In the 2013-2015 sessions, bills were introduced after the session began on significant issues, including: uranium mining, eminent domain, stormwater management, public procurement and conflicts of interest.

During the 2015 session, Speaker William Howell, sent a memo (see attached) to members of the Virginia House of Delegates commending legislative process improvements suggested by members and committed to incorporating several of these legislative recommendations into the policies and rules of the House, rather than the Code of Virginia. The Speaker included H.B. 1865, which required local fiscal impact bills to be introduced no later than the first day of the session, among those good policy ideas that will be incorporated into the rules of the House of Delegates in 2016. A similar change should be considered for the rules in the Senate for the 2017 session.

RECOMMENDATION: Support changes to the rules of the House and Senate that would require proposed legislation that may have a fiscal impact on localities to be introduced no later than the first day of session.

5. Education Funding

Despite ever increasing mandates and higher accountability standards, state per-pupil education funding is below FY09 levels – and below FY05 levels if adjusted for inflation.

Funding from local sources in the cities, counties and two towns that operate their own school systems paid almost 52 percent of the cost of public education in FY14. (In FY09 they paid 49 percent.) The state general fund financed about 32 percent, with the state sales tax dedicated to education paying another 8.5 percent. Despite the many costly federal mandates, federal taxes financed 7 percent.

Local governments do not have the wherewithal to continue to be the major funding partner for K-12 education.

The decrease in funding support for K-12 education has had very real effects in school divisions. According to a recent survey by the Virginia Association of School Superintendents, since July, 2008

school divisions have eliminated more than 10,000 positions in schools, including more than 5,000 teaching positions.⁶ Further:

- 87% of respondents who have reduced staff have added duties to the remaining staff
- 20% of divisions have reduced employees' compensation since 2008 to accommodate funding reductions
- 71% of divisions responding have increased class sizes since July 1, 2008

Because this is a rebenchmarking year, it is essential that the state provide the funding for a full rebenchmarking and that the introduced budget not include policy changes that change the rebenchmarking process. A cost cutting measure that was used during the recession - which capped the ratio used for state funding of teacher support positions also should be eliminated during this rebenchmarking period.⁷

It is also important that the state take steps to improve funding for the Virginia Preschool Initiative, which is not included in the rebenchmarking process. The state recognizes a cost of \$6,000 per student, an amount that is shared between the state and localities on the basis of the composite index, an amount has not been increased since 2009. By comparison, in FY14, the federal Head Start program recognized a total cost of about \$10,042 per child in Virginia.⁸

Further, some students-especially those from low-income families-continue to struggle to meet the higher educational standards that have been put in place. Innovative approaches, including state funding for extended year schools, need to be further explored and promoted.

RECOMMENDATION: The full cost of rebenchmarking of the Standards of Quality should be included in the budget introduced this December. In addition, the per-pupil amount for funding of the Virginia Preschool Initiative should be increased to reflect a more realistic amount. Finally, the state should continue to explore ways to improve educational outcomes for students at risk of educational failure, including funding for extended year schools.

6. Enhanced Coordination between Workforce System and K12

State and federal mandates in education policy coupled with decreasing state and federal resources have left localities and school divisions with limited time and resources to focus on some of the key training needs of local and regional employers. Localities recognize that vocational education has been hit particularly hard by past cuts and mandates, with 88.5 career technical education programs eliminated since 2008 (VASS Survey).

⁶ Selected Data from VASS Spring 2015 Superintendent Survey presentation, May 2015.

⁷ 2015 Appropriation Act, Item 136 (C)(5)(k).

⁸ Head Start Program Facts Fiscal Year 2014. The total federal funding for Head Start in Virginia for FY2014 was \$117,220,586 for 14,590 enrolled children. This figure represents the total per-child federal funding plus the required twenty percent match. Actual costs may be even higher if expenditures exceed the required match.

There is need for a statewide effort to bring together localities and the key education, business and workforce development stakeholders to explore opportunities to make systemic changes that will increase the focus on career and technical education in K12 that meets the needs of local and regional economic development efforts. Localities desire to work in partnership with the state, the community college system and the business community to evaluate and implement policy changes that will lead to increased employment opportunities for the Commonwealth's students and an increased pool of talent with the necessary training for our Commonwealth's current and prospective businesses. This statewide effort should create better coordination of funding streams, incentives and cultural changes that will lead to an increase in the number of students leaving the K12 system with workforce ready credentials.

RECOMMENDATION: Support statewide effort to bring together localities and the key education, business and workforce development stakeholders to explore opportunities to make systemic changes that will increase the focus on career and technical education in K12 that meets the needs of local and regional economic development efforts.

7. State Assistance to Local Police Departments (HB 599)

Almost 70 percent of Virginians live in communities served by police departments. In the 1980s the Virginia General Assembly created a program of financial assistance to local police departments, in part to recognize the disparity between funding assistance to localities patrolled by sheriffs' departments and those covered by police departments, and as part of a deal whereby the state took away cities' ability to annex.⁹ Despite the state's original promise, funding for this program has increasingly eroded due to the state's neglect of its obligation to this public safety priority.

Funding increases (and more recently, decreases) for this program are tied to the growth of state general fund revenues. However, even when state revenues are strong, the state does not always tie HB 599 growth to the state's general fund growth.¹⁰

The state's original intention was to cover about 30 percent of a local police department's costs. In FY2016, the state will distribute \$172.4 million for the program, which covers all 38 cities, nine counties, and 128 towns. That comes out to approximately \$29.84 per capita, representing 14 percent of total law enforcement costs for localities covered by the HB 599 program.

RECOMMENDATION: Local governments ask that the state honor its commitment to public safety by funding the program in FY16 and onward as stipulated in the Code of Virginia.

8. Body Worn Cameras

Localities support maintaining the ability for local governments to adopt policies regarding body worn cameras that reflect local needs and fiscal realities. Localities should be able to decide: whether to buy body cameras for law enforcement; on the policies for the use of the cameras; how long to retain video;

⁹ Va. Code §§ 9.1-165 et seq. and § 15.2-3201.

¹⁰ 2015 Appropriation Act, Item 391(A).

and the rules for when the public may have access (within the overarching rules of the Freedom of Information Act).

Localities support legislation to amend the Freedom of Information Act, as necessary, to assure that law enforcement agencies are not required to release video and audio recorded by body worn cameras that would disclose the identities and personal information of private citizens and to assure that agencies do not incur burdensome costs in responding to requests. The Task Force also supports exempting the data captured by body worn cameras from the Records Retention Schedule of the Library of Virginia. Given the large amount of digital data being captured by these cameras and the costs of storage, law enforcement agencies should not be required to retain this data unless it serves a law enforcement, internal affairs investigation or training purpose.

RECOMMENDATION: Support maintaining the ability for local governments to adopt policies regarding body worn cameras that reflect local needs and fiscal realities.

9. Stormwater – Local Programs

Legislation passed in 2004 delegated to local governments the authority to comply with federal law regulating stormwater runoff from construction sites.¹¹ At the time, those permits were being handled by the state. Given that local governments were already regulating stormwater runoff during construction under Virginia’s Erosion & Sediment Control (VESC) law, it made sense to have them do the same for the federal rules. The goal was to create a “one stop shop” for builders and developers at the local permitting desk, thereby eliminating the need to apply to both a local government and the state prior to commencing land-clearing activities.

It is important to understand that the federal permit is issued by the state (on behalf of the Environmental Protection Agency) and that this authority to do so is renewed every five years.

The current stormwater general construction permit became effective July 1, 2014. The date coincides with implementation of the requirement that local governments regulate stormwater runoff from construction activity in accordance with the EPA permit.

Implementation of the “one stop” concept became unnecessarily complicated when the state inserted into the federal permit a post-construction standard for stormwater runoff. Complying with the standard created a financial burden for localities because they needed to hire and train qualified engineers and technicians to review plans. It should be noted that additional costs were also incurred by the state as they needed to hire qualified engineers and technicians to review local programs for compliance.

To pay for this expanded bureaucracy, the state developed a schedule of permit fees at levels sufficient to cover – in theory – the costs. Seventy-two percent of the money from the permit fees stays in local coffers and the rest goes to Richmond.¹² While well intentioned, this arrangement has a fundamental

¹¹ Chapter 372, 2004 Acts of Assembly.

¹² 9 VAC 25-870-780.

flaw. It is dependent on the rate of construction activity remaining constant so that revenues match costs. As recent economic booms and busts have proven, this is unrealistic. The reality is that both local governments and the state will be relying on general fund revenue to implement local stormwater programs.

DEQ has put together a group of interested stakeholders, including local governments, to examine potential legislation to streamline implementation and provide adequate technical assistance to localities.

To assist localities with stormwater pollution reduction requirements that have been implemented through federal and state law, in 2013 the General Assembly created the Stormwater Local Assistance Fund (SLAF) grant program to provide 50 percent matching funds to qualifying locality projects. Over a three year period (2013-2015), the state has provided \$60 million to help fund local stormwater projects.¹³ Meanwhile newly reissued federal permits project long term costs for Virginia localities in the billions of dollars to comply. Without adequate state financial assistance local governments will be forced to make difficult funding and tax choices affecting education, police, fire and safety, and taxpayers' wallets.

RECOMMENDATIONS:

- In order to implement a successful “one stop shop” at the local level for the review of development for compliance with both stormwater and erosion and sediment control the budget introduced this December should include adequate funding for DEQ to oversee the program and provide training to local government.
- Any proposed legislation to streamline implementation should recognize the limitations of local governments with little, or no, construction activity to adequately fund and staff a local program. To that end, technical assistance should be made available to those localities from DEQ in reviewing the requirements for post construction stormwater runoff.
- The budget introduced this December should include sufficient appropriations to be deposited in the Stormwater Local Assistance Fund (SLAF) to help local government in the upcoming biennium with costs associated with permit requirements tied to federal Municipal Separate Storm Sewer Systems (MS4) and EPA mandated stormwater rules.

10. SCC Jurisdiction Over Local Government Utility Operations

The Virginia constitution denies the State Corporation Commission jurisdiction over local government utility operations. Nonetheless, in the 2015 session of the General Assembly, a study resolution was filed to consider placing mandates and burdens on locality-owned electric utilities.¹⁴ Further, the

¹³ 2015 Appropriation Act, Item 363 (C)(1).

¹⁴ S.J.R. 300 (2015).

Attorney General recently advised a member of the General Assembly that the body has authority over local government electric utilities.¹⁵

RECOMMENDATION: Accordingly, the Task Force strongly urges the General Assembly to not attempt to place any mandates on local government utility operations.

11. Jail Per Diem Payments for State-Responsible Inmates

The state has increasingly shifted criminal justice costs onto local governments. During the recession, the state reduced its share of per diem rates paid to local and regional jails from \$8 to \$4 per day for local-responsible inmates, and from \$14 to \$12 per day for state-responsible inmates. Also in that same time period, the state changed the definition of “state-responsible inmate” from felons with sentences of one year or more to felons with sentences of two years or more.

These changes shifted at least \$19 million in new annual costs to local governments and local taxpayers. These cost shifts remain in place, even though state revenues have fully recovered.

The FY13 average operating cost for all jails totaled \$818 million, for an average of \$75 per inmate, per day. State funding averaged \$27 per inmate-day (including staff support and per diems) while local funding averaged \$43.50 per inmate day.

Local and regional jails hold approximately 5,231 out-of-compliance, state-responsible inmates each day. The reduction in per diems and change in the definition of “state-responsible inmate” coupled with the requirement that local and regional jails cover physical and behavioral health treatment costs, constitutes a major local fiscal burden.¹⁶

RECOMMENDATION: The Task Force urges the state to:

- Fund its share of per diem payments at the 2010 levels.
- Reinststate the original definition of “state-responsible inmate.”
- Fully fund its share of per diem payments in each and every introduced budget.
- Help divert individuals with behavioral health issues from jail by fully funding community behavioral health services along with drug and mental health courts.
- Pay the medical costs of inmates using a cost-effective program jointly funded at the federal and state levels and approved by the federal government, to relieve local taxpayers of paying the health care costs of jail inmates.

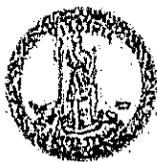
¹⁵ Attorney General Opinion 15-005, July 2, 2015.

¹⁶ Compensation Board presentation to State Responsible Inmate Realignment Work Group, May 27, 2015.

COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES

RICHMOND



WILLIAM J. HOWELL
SPEAKER

TWENTY-EIGHTH DISTRICT

COMMITTEE ASSIGNMENTS:
RULES (CHAIRMAN)

MEMORANDUM

TO: Members, Virginia House of Delegates

FROM: Speaker William J. Howell

CC: G. Paul Nardo, Clerk of the House

DATE: January 30, 2015

SUBJECT: Use of "Legislative Procedures" in the Code of Virginia

During my tenure as Speaker, it has been my goal to continually improve the legislative process and provide greater efficiency and transparency with regard to the policies and rules of the legislature.

The Rules of the House of Delegates adopted at the beginning of each two-year term and the joint rules adopted annually as part of the procedural resolution for each session are the primary instruments used to manage the legislative process. These rules, coupled with constitutional directives, guide the House in our daily legislative procedure. In addition, on occasion, I have issued guidance or directives that supplement the House Rules where they are silent or allow for discretion.

Regularly after each Session and throughout the year, I confer with House and Senate leadership – along with the House Clerk – to review the Session and to explore avenues for improvement and opportunities to enhance legislative procedure. I also welcome any feedback offered by members on how we can make the legislative branch more efficient and effective.

This year, several members brought forward good ideas on how to improve the legislative process. I want to thank Delegate Terry Kilgore, Delegate Ben Cline and Delegate John O'Bannon for the ideas they proposed in House Bills 1865, 2076 and 2202.

House Bill 1865 would require legislation with a local fiscal impact to be introduced prior to or on the first day of session. House Bill 2076 would require the budget conference report to be posted online for at least 48 hours before a final vote can be taken. House Bill 2202 would require the Appropriations Committee to make available a detailed report of items included in the conference report, specifically appropriations to non-state agencies, items not included in either chamber's original budget or items similar to legislation that failed in either chamber.

These are good ideas that should be incorporated into the procedures and rules of the House. However, it is imprudent to put these concepts into statute via the legislative process because doing so essentially would give the Executive Branch undue influence over the procedures of the House.

Article IV, Section 7 of the Virginia Constitution provides that "... [e]ach house shall select its officers and settle its rules of procedure...." This specific grant of authority within the Constitution is fundamental to the separation of powers doctrine and ensures each house of the legislature may implement procedures relative to the legislative process in that chamber as it deems proper without the consent of the other house or the approval of the executive.

In my opinion, seeking to amend or enact sections in the Code of Virginia relative to legislative processes and procedures needlessly invites interference by the executive branch and infringes on the independence of this body to settle its own rules of procedure as provided for by our state Constitution. Accordingly, I believe the best method to accomplish the good ideas embodied in these bills is to implement them ourselves.

Toward that end, I have spoken with the Chairman of the House Appropriations Committee and he agrees that it is important to provide greater transparency regarding the final conference report. Accordingly, the House will wait 48 hours after the final conference report is posted online before taking a vote. Posting the conference report online for 48 hours before taking action will promote greater transparency – giving members and citizens alike the necessary time to review and contemplate the conference report.

The Chairman also enthusiastically has agreed to make available to all members of the House a document that satisfies the concepts outlined in HB 2202. This document will include a comprehensive list of all appropriations to non-state agencies, any items not included in the budgets as originally passed by each chamber and any items that are similar to legislation that failed in either chamber. Making this additional information available to the public in a more understandable way will further strengthen accountability in the budget-making process.

Finally, I have asked the House Majority Leader to review each of these concepts and begin the process of preparing amendments to the House Rules or begin discussions with Senate leadership about how to include these and other ideas that will improve the efficiency and transparency of the legislative process in the operating resolutions of the 2016 Regular Session. Taking this action, rather than adopting amendments to the Code of Virginia, will protect the prerogative of the legislative branch to set its own rules.

I am confident that these actions will improve the efficiency of the House and provide greater transparency for the general public without relinquishing any of the House's authority to other branches of state government.

Now and always, I am open to hearing from each of you regarding other ideas that can be included in the annual procedural resolution and directives and instructions that should be included in the 2016 House Rules. Thank you for your support and I look forward to continuing the dialogue on how to improve the work of the House and its members.

Fines and Forfeitures Calculation		
County or City	Current Policy	Conference FY 2016
Hopewell	\$85,915	\$137,113
Emporia	\$43,454	\$95,115
Henrico	\$0	\$73,558
Fairfax City	\$43,372	\$67,868
Chesapeake	\$0	\$43,407
Greensville	\$21,489	\$41,496
Suffolk	\$0	\$38,378
Washington	\$0	\$33,332
Sussex	\$0	\$32,353
Arlington	\$0	\$30,006
Southampton	\$0	\$29,605
Falls Church	\$6,282	\$21,510
Lynchburg	\$0	\$20,997
Amherst	\$0	\$16,992
Virginia Beach	\$0	\$16,517
Colonial Heights	\$0	\$15,772
Nelson	\$0	\$14,579
Newport News	\$0	\$14,533
Carroll	\$0	\$14,280
Alexandria	\$0	\$13,962
Orange	\$0	\$13,040
Smyth	\$0	\$12,965
Charlottesville	\$0	\$10,498
Danville	\$0	\$6,395
Martinsville	\$0	\$5,504
Buena Vista	\$0	\$3,015
Brunswick	\$0	\$2,648
Radford	\$0	\$2,345
Waynesboro	\$0	\$1,994
Caroline	\$0	\$1,210
Charles City	\$0	\$401
Franklin	\$0	\$326
Mathews	\$0	\$319
Total	\$200,512	\$832,033
Notes: (1) Reflects 25% above the 65% threshold		
(2) Amounts in the current policy column are included in Column B.		