

# **AUGUSTA COUNTY BOARD OF SUPERVISORS**



**Legislative Issues, Priorities, and Proposals  
2021 Session  
11/24/20**

# Table of Contents

<b>Priorities</b> .....	4
Children’s Services Act .....	4
Local Government Sovereign Immunity .....	4
Utility Scale Solar Facilities .....	5
School Composite Index Formula .....	5
Capital Reimbursement for Middle River Regional Jail Expansion .....	5
<b>Taxation</b> .....	6
Machinery & Tools and Business, Professional and Occupational Tax Structure.....	6
Appeals of Tax Assessments .....	6
Communications Sales and Use Tax Revenues .....	6
Recordation Tax Distribution to Localities .....	6
<b>Mandates</b> .....	7
State Funding for Any New State Initiatives .....	7
State Funding for Mandated and Shared Programs .....	7
<b>Land-Use Decisions</b> .....	8
Storm Water Regulations .....	8
Large Utility Projects .....	8
Siting of Transmission Lines .....	9
Maintain Public Sector Role in Onsite Sewer Program .....	9
Broadband/Wireless Telecommunications .....	9
Dam Safety .....	9
<b>Local Government Operations</b> .....	9
Annexation .....	9
Overtime Compensation Rate/Collective Bargaining .....	9
Election Costs and Districts .....	10
Volunteer EMS and Rescue Squad Training.....	10
EMS Vehicle Maintenance Regulations .....	10
Public Notice Requirements.....	10
Reform and Restructuring.....	10
Extend LEOS Benefits to Animal Control .....	11



## Augusta County Facts


The County of Augusta was formed in 1738 and named for Augusta, Princess of Wales and the mother of King George, III. The original western boundary of the County was the western edge of Virginia, which at that time was the Mississippi River. The present boundaries of the county were set in 1790. Situated in the Shenandoah Valley of Virginia, the County of Augusta is at the juncture of Interstates 64 and 81, and the headwaters of the James River and the Potomac River basins. It is 150 miles southwest of the nation’s capital, Washington, D.C., 100 miles west of the state capital, Richmond, and 85 miles north of the City of Roanoke. Within the boundaries of the County of Augusta are the independent cities of Staunton, founded in 1747, and Waynesboro, founded in 1801.

Although primarily a rural county, Augusta County’s 2019 population was 75,457. Augusta County enjoys a diversified economy, with manufacturing accounting for approximately 21% of the jobs in the County. Manufacturing employs approximately 5,900 of 36,000 plus workers in the County’s labor force and makes up approximately 3.3% of the total local property taxes. The County is home to several well-known industries, such as Hershey Chocolate, McKee Foods (Little Debbie), Nibco and Daikin (formally McQuay).

Agriculture is a large portion of the overall economy of the County. Augusta County is one of the top producers of many commodities in the state and this wealth of production overflows into many other industries of the County; including farm equipment manufacturers and dealers, transportation, energy, retail, and the ever growing agri-tourism business. The unemployment rate for the County decreased from 3.0% in 2018 to 2.6% in 2019. The County’s rate remains lower than that of the State’s unemployment rate of 2.9% and compares favorably to the national unemployment rate of 3.8 %.

Population 2019	75,457
Median Age	45-49
Student Population	9,925
Real property tax rate – CY2020	\$.63 per hundred
Machinery and tools tax rate – CY2020	\$2.00 per hundred
Assessed value of taxable real property – 2020	\$7,576,898,000
Personal property tax rate – CY2019	\$2.50 per hundred
State reimbursement for personal property taxes	\$4,296,000
FY2020 General Government Budget	\$71,604,355
FY2020 School System Budget	\$132,774,397
General Government employees	509
School System employees	1,575
FY2019 Debt service per capita	\$1,072
Schools	11 (E) 4 (M) 5 (H)
Voting Precincts	26

**AUGUSTA COUNTY BOARD OF SUPERVISORS**  
**Legislative Issues, Priorities, and Proposals**  
**2021 Session**

 **Thank you for 2020 Actions:**

- Fair Taxing Authority for Counties
- Clarification for Mowing in Agricultural Lots
- VPPA - Professional Term Limit Changes

**Priority Legislative Issues for the 2021 General Assembly Session:**

• **Children’s Services Act:**

Support enhancing the ability of local school divisions to serve children with disabilities, to include flexibility in use of state pool funds to serve children with high-level needs in local or regional programs tailored to meet those needs, and additional support for special education wraparound services to help support children in the community. Augusta County spent \$3.2 million on Special Education Alternative Day Placements in FY2020. The SAW region is uniquely placed to participate in a local public day placement pilot program which would allow for the following:

- Children would remain in the community where they reside
- Local school personnel could track the progress of the child
- Children could return to school more quickly because of local monitoring
- Community services could be provided to families and children beyond the day placement
- Savings could be achieved through shorter length of stay
- Savings in how services are delivered allows savings for Virginia taxpayers
- Regional public programs could be more efficient than private placements

Support state assistance to localities with contracting for CSA services to improve localities’ ability to negotiate with providers of these services, such as private day placements.

• **Oppose Change in Local Government Sovereign Immunity:**

Oppose any substantive change in local governments’ present defenses of qualified immunity and sovereign immunity, including bringing counties under the Virginia Tort Claims Act. The Board of Supervisors considered a resolution in opposition to any legislative effort to repeal or revise the judicial doctrine of qualified immunity for law enforcement officials (copy attached).

- **Utility Scale Solar Facilities:**

The treatment of solar projects is an emerging issue for some Virginia localities. Augusta County has received interest in the placement of solar farms in our urban service areas where we expect to see growth in industry, commercial and residential projects. Investments have been made for the necessary utilities for growth, such as electric, gas, water and sewer and even rail. Continuing to allow for an 80% tax break on these projects does not allow a locality to have a return on investment that encourages approval of solar farms. In 2018 session, SB-902 (now law) allowed for a local option on the 80% reduction on larger projects of 150 megawatts or more. Consideration should be given to allow the local option on any project greater than 25 megawatts. In light of revenue share assessment and siting agreement legislation for utility scale solar, improvements have been made; however there are still concerns. For example, if a locality adopts a revenue share assessment ordinance and receives a project for greater than 150 megawatts, then the locality would be required to assess the project using the revenue share ordinance rather than the un-exempted M&T tax.

- **Support Change in School Composite Index Formula to Use-value Assessments:**

Support legislation to adjust the calculation of the local Composite Index for public school funding by directing the Department of Education to adjust its funding calculations for the local ability to pay by using the use-value assessment of real property, instead of the true value, in localities that have adopted use-value taxation. Seventy-five counties and sixteen independent cities have local agricultural use value ordinances. By putting this in place, the Commonwealth can align its goals across programmatic areas, supporting a strong agricultural economy while also accepting responsibility for its fair share of public education funding.

- **Support Inclusion of 25% Capital Reimbursement for Middle River Regional Jail Expansion in Budget:**

Augusta County is a member of the Middle River Regional Jail. The Board of Corrections has considered the Planning Study for an expansion of the regional facility, which includes a 400-bed minimum custody addition west of the existing facility, providing an increased inmate capacity of 772 beds. Improvements will meet the current and future housing and support functions of the jail while providing flexibility to adjust as the inmate population changes.

**END OF PRIORITIES**

**Taxation:**

- **Oppose Change to Machinery & Tools and Business, Professional and Occupational Tax Structure:**

While neither of these taxes is particularly “popular” with various constituencies, unless and until the Commonwealth enacts replacement revenue sources for local governments, the two above-referenced taxes must stay in place as options for local governments. It is irresponsible to further add to the real property tax burden on constituents by eliminating more diverse revenue sources for local governments. A loophole in the BPOL is growing by virtue of the buying up of doctors’ practices by untaxed (not-for-profit) hospitals. Not only do local governments forego real property taxes on these hospitals and their expansions, but now, the impact on BPOL is becoming yet one more burden to be offset by residential real property taxes. Augusta County would stand to lose the following revenue if the following taxes were eliminated, constituting an 10-cent increase to the real estate tax rate:

Machinery & Tools	\$4,420,000
Business License (Reduced due to COVID-19)	<u>2,850,000</u>
Total	<u>\$7,270,000</u>

- **Appeals of Tax Assessments:**

**Oppose** proposals to make major changes to the current appeals processes for real or tangible personal property assessments, such as changes to the assessor’s presumption of correctness or the role of the State Tax Commissioner with respect to the valuation of property.

- **Communications Sales and Use Tax Revenues:**

**Oppose** any further diversion of Communications Sales and Use Tax Trust Fund dollars beyond the uses already specified in statute (administration of the tax and the telephone relay center; franchise fees owed to localities). These revenues should be held in trust for localities and not diverted for general state purposes. Language adopted in the 2018-020 biennium budget and continues in the 2020 Appropriations Act provides for an additional diversion of funds to the State General Fund and these funds would otherwise flow to localities. Communications Tax revenue for Augusta County has shown a \$296,000 or 12.5% drop since 2017.

- **Recordation Tax Distribution to Localities:**

**Support** the restoration of state recordation tax revenues distributed to counties and cities for use of transportation or public education purposes. Oppose any efforts to divert existing dedicated regional transportation revenues to areas and purposes outside of that region unless additional dedicated funding sources are provided to hold such funding harmless. Augusta County averaged \$200,000 in State recordation tax collections, all of which have been

reduced through legislation and the remainder diverted by 2020 General Assembly action to the Hampton Road transit system.

## **Oppose Unfunded Initiatives Pushed to Local Tax Burden:**

- **Mandates:**

Mandates from the General Assembly come to local governments in two forms:

- Issues that local governments have to perform which they are not currently performing (this item means additional expenditures in local budgets); and

- Issues which involve revenue reductions either by cutting state revenue that has historically been shared with local government (example – ABC profits), or the abolition/altering of local revenues (example – car tax, BPOL, machinery and tools tax).

Workgroups considering local mandates and local fiscal stress need to be bold in their recommendations for the 2021 Session and include reduction of financial burdens on local governments.

- **State Funding for Any New State Initiatives:**

The Commonwealth should bear 100% of the cost for any service or program mandated by the state.

- **State Funding for Mandated and Shared Programs:**

The state has enacted programs which are overseen at the state level and administered at the local level and concurrently required the localities to fund increasingly larger shares of the expenses of these programs, whether directly or through re-defining terms within the formulas used to compute such funding requirements. The state needs to fund its true and responsible share of these programs including:

- education, including:

- \*sufficient funding for K-12

- \*sufficient funding for the SOLs

- \*additional funding for school construction;

- public libraries;

- constitutional officers and their offices;

- area agencies on aging;

- community service boards;

- mental health and intellectual disability programs and facilities;

- funding for local EMS and Rescue Squad training; and

- the mandated replacement of election equipment.

## **Land Management:**

- **Land-Use Decisions:**

Local land use decisions should remain at the local level without unreasonable or arbitrary state constraints.

- **Storm Water Regulations:**

We also **support** legislation to:

- Amend Section 62.1-44.15:28 of the Code of Virginia to give localities the ability to waive the state's portion of the VSMP fees if a locality waiver policy has been implemented by a locality and approved by the Board. We also request a new locality/state workload analysis to justify the state's portion from the storm water permit fee. The new analysis should address long-term responsibilities placed on localities that previous studies ignored.
  - We **support** adequate funding to enable local governments to meet ongoing costs associated with local storm water management programs that became effective on July 1, 2014. It is critical for the state to evaluate the effectiveness of the fee structure as outlined in the Virginia Storm Water Management Permit regulations because these fees are the PRIMARY source of revenue for funding local storm water management programs. As such, we support legislation to Amend Section 62.1-44.15:28.9.a of Virginia's Storm Water Management Law such that it would distribute a maximum of 10 percent of statewide storm water fees revenue to the Virginia Storm Water Management Fund with the remaining 90 percent remaining with local governments.
  - Amend Section 62.1-44.15:33 of the Code of Virginia to mandate that the State Water Control Board permit localities to consider long-term maintenance costs of a Best Management practice when approving a local storm water program.
- **Large Utility Projects:**  
**Support** adequate direction and resources for the Department of Environmental Quality (DEQ) to provide monitoring and enforcement of Erosion and Sediment Control and Storm water requirement by entities constructing large-scale utility projects, for example, pipelines and utility scale solar facilities. DEQ should conduct a review of the annual standards, specifications and construction general permit requirements for these projects to determine if they are providing adequate protection of water quality and natural resources.



- **Siting of Transmission Lines:**

**Support** requiring utilities to seek input from localities and property owners before any actions to construct, modify or enlarge transmission facilities.

- **Maintain Public Sector Role in Onsite Sewer Program:**

**Support** an onsite sewage program at the Virginia Department of Health (VDH) that protects public health and the environment in all regions of the Commonwealth. The Commonwealth should give special focus to addressing the challenge of failing septic systems and allow localities authority to develop and implement policies that support the state's program. We support the private sector providing onsite sewage system design, installation and repair services, as long as the services can be provided at affordable rates and in a timely manner, and as long as VDH continues to provide these direct services as well.

- **Broadband/Wireless Telecommunications:**

**Support** efforts to expand broadband capabilities in underserved and rural areas including strengthening local authority to deploy broadband directly or through public-private partnerships. Efforts to enhance the deployment of new technologies must include expansion of high-speed service to rural areas. **Oppose** legislation further attempting to bypass, limit, or otherwise further restrict the local zoning, permitting and review process for telecommunications infrastructure, including fee structures.

- **Dam Safety:**

**Support** sufficient state and federal funding for the repair and maintenance of flood control dams. The County has completed six rehabilitation projects in the last twenty years and will partner with state and federal agencies to complete a future project if funding is available.

## **Local Government Operations:**

- **Annexation:**

The General Assembly needs to end annexation in all parts of the Commonwealth of Virginia. The General Assembly should guarantee "599" funding increases to all localities with police departments.

- **Overtime Compensation Rate (VAC 9.1-701):**

If expanded, this has the same effect on businesses and local governments as collective bargaining; Augusta County **opposes** such action.

- **Election Costs and Districts:**

**Support** legislation that would increase state investments in elections, including funding and support for primaries, voting equipment, personnel and voting places. Cost reduction solutions include requiring parties to pay for primary elections, having one date for primary elections, using printed ballots, establishing countywide voting places and other similar measures. For example, the costs of holding primary and special elections are not small for local governments. In the dual primary election in 2018, there were 8,794 total Augusta County voters, 18% of the total registrant count of 48,076. The dual primary cost to the county was approximately \$48,162, or \$5.48 per vote. The state must continue to share in the costs of such elections or require those who use the primary election processes for nomination to share or bear costs. The state should provide adequate funding to localities for optical scan and other voting equipment and registrar costs.

- **Volunteer EMS and Rescue Squad Training:**

Augusta County **supports** practical and reasonable initial certification and ongoing continuing medical education (CME) requirements for county fire EMS and rescue squad volunteers. Augusta County recognizes the vital importance of volunteer EMS and rescue squad training; however, we **do not support** extensive education requirements that discourage public volunteer service.

- **EMS Vehicle Maintenance Regulations:**

The Office of Emergency Medical Services regulations dictate that vehicle maintenance be performed according to the recommended manufacturer's schedule of maintenance. If found in non-compliance, the localities EMS license will not be renewed. Augusta County understands the need to have a maintenance program to protect the manufacturer's warranty on emergency services vehicles; however, the County would **support** redefining the definition in the regulations.

- **Public Notice Requirements:**

A thorough review of State Code requirements as they relate to "public notices" needs to be undertaken. The cost to the County for FY20 was \$11,594 for such mandated public notices.

- **Reform and Restructuring:**

The Reform and Restructuring Commission was strong in their recognition of the need to analyze legislation for its local impact, whether financial or otherwise; legislation must not move forward that has not been well analyzed and the state fiscal share appropriated. We **support** legislation or other measures providing additional time for localities to review bills that may have an impact on local revenues or expenditures. The General Assembly

needs to examine carefully short-term and long-term effects on state government and local governments, particularly with respect to state and local budgets. Many of the ideas that have been forwarded seem to have merit; however, the methods by which the concepts are proposed to be implemented have to be carefully reviewed for long-term effectiveness, efficiency and fairness.

**Support** continued state funding for the local costs associated with Medicaid expansion, such as local eligibility workers. Any and all additional requirements for local departments of social services, health departments, etc., need to be fully and responsibly funded by the state and/or federal government after the implementation year.

- **Extend LEOS Benefits to Animal Control:**

The County recognizes that duties of animal control officers are hazardous, dealing with animals, people, and situations, like law enforcement officers. Animal Control works with the local Sheriff's office on calls, such as drug busts, that include animals. County animal control does not fall under the control of the Sheriff's office and therefore, according to State law, is not eligible for LEOS benefits.

Augusta County recently conducted a survey to determine if animal control officers within Virginia currently receive VRS - LEOS. The survey was conducted through the Virginia Animal Control Association. Sixty-two (62) agencies within the State responded. There are 95 counties and 38 cities in Virginia. Not all agencies are registered with the Virginia Animal Control Association. Of those responding, the following was found:

- 15% work for a Sheriff's Office
- 47% work for a Police Department
- 30% work for the County Administrator
- 8% work for another Department

Within these agencies, 78% indicated they are not receiving VRS - LEOS. This was unexpected as we assumed the agencies working for a Sheriff or Police Department automatically received the benefit.

An additional survey was conducted and found 92% of animal control officers only enforce regulations related to animals. They are not both, a regular law-enforcement officer and animal control officer. We also found that 77% of those responding have taken an oath and are sworn by a circuit court clerk under Section 49-1 of the VA Code. This is the same oath as law-enforcement officers.

Augusta County would **support** the introduction of legislation that would include allowing duly sworn animal control officer to be eligible to receive Virginia's hazardous duty benefits under Title 51.1-138, Paragraph B of Virginia Code.

**END**