

AUGUSTA COUNTY BOARD OF SUPERVISORS



**Legislative Issues, Priorities, and Proposals
2022 Session
11/10/21**

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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 2020 population was 75,558. Augusta County enjoys a diversified economy, with manufacturing accounting for approximately 21% of the jobs in the County. Manufacturing employs approximately 5,900 of 36,800 plus workers in the County’s labor force and makes up approximately 3.4% 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.

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 increased from 2.6% in 2019 to 5.8% in 2020, but recovered to 3.5% by June 2021. The County’s rate remains lower than the State and national unemployment rates.

Population 2020	75,558
Median Age	45-49
Student Population	9,896
Real property tax rate – CY2021	\$.63 per hundred
Machinery and tools tax rate – CY2021	\$2.00 per hundred
Assessed value of taxable real property – 2020	\$7,701,138,000
Personal property tax rate – CY2021	\$2.60 per hundred
State reimbursement for personal property taxes	\$4,296,000
FY2021 General Government Budget	\$73,601,182
FY2021 School System Budget	\$135,791,508
General Government employees	528
School System employees	1,587
FY2020 Debt service per capita	\$988
Schools	11 (E) 4 (M) 5 (H)
Voting Precincts	26

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 **Thank you for 2021 Actions:**

- Included 25% Capital Reimbursement for Middle River Regional Jail Expansion in budget
- Increased financial benefit to localities in development of utility scale solar energy facilities through voluntary financial payments, increased siting agreement requirements, and increases in annual monetary payments to account for inflation
- Continued work on Children’s Services Act pool funding to support special education needs, including use for up to 12 months of transitional services within the public school setting for youth who were previously placed in private school for at least six months.

Priority Legislative Issues for the 2022 General Assembly Session:

• **Courthouse:**

The Augusta County Board of Supervisors has diligently pursued many avenues to address the court facilities taking into consideration the issues and constraints with constructing a suitable, secure, and safe courts facility in the City of Staunton. There are current legal limitations dictating the location of the new courts’ facility, as well as referendum and location requirements. Additionally, there are significant limitations including, the demolition of existing buildings, and the size and aesthetic look of any new building pursuant to Staunton’s historical preservation requirements, in addition to its location in a flood plain. After considering the limited options available and, in light of not obtaining an acceptable resolution to the county, the city, and its citizens, the Board of Supervisors feels it has exhausted all viable options available to the county for locating the court facilities in the City of Staunton. The constructing of a new court facility is estimated to cost an additional \$10,000,000 to \$20,000,000, or more, to build in the City of Staunton as opposed to construction of a new courts facility in Augusta County. Moreover, it is unlikely that construction of new, or restoration of existing, court facilities in the City of Staunton will meet all of the guidelines for court facilities. Whereas, the County could meet all of the current and long-term future needs of the courthouse if constructed in Verona. In addition, every county department, agency and authority, including the regional jail, as well as the Sheriff, and other constitutional officers (except Commonwealth’s Attorney) are all located in Verona, Augusta County. Accordingly, the operational costs to the taxpayers of Augusta County is significantly higher to

house and maintain a courts facility in the City of Staunton. The County introduces the following changes to Virginia Code related to process and placement of Courthouse facilities:

15.2-1644 Petition for removal of county courthouse; writ of election. Addition of “The removal and relocation of the Augusta County Courthouse from the City of Staunton to the County of Augusta shall not require a petition or removal by the voter.”

15.2-1652 Form of ballots for county election on removal and appropriation; certificate of electoral board. Addition of a second question on the ballot; “Shall the courthouse remain in the City/town of _____ and the Board of Supervisors be permitted to spend \$.....therefore? _Yes _No”

15.2-1655 No other election held for ten years. Change ten years to five years.

- **Local and Regional Jails – VADOC Transfers:**

Support budget language change to address the timeliness of Virginia Department of Corrections inmate transfers from local and regional jails. The Department of Corrections would, to the extent of available beds, receive all state responsible inmates into the state correctional system, unless a local or regional jail agrees to continue holding the inmates for the applicable per diem rate.

- **American Rescue Plan Act and Federal Infrastructure Funds**

Support the use of federal relief funds provided to the state through the American Rescue Plan Act, and federal infrastructure funding that may be provided to the state in the future, to make investments in county priorities, including broadband, wastewater and stormwater improvements, school capital needs, and reimbursement for workers’ compensation claims filed under the new presumption for COVID-19. Coordination with local governments in deployment of relief funds is encouraged so that each federal dollar can be maximized for the benefit of the residents of the Commonwealth.

- **Behavioral Health – Emergency Orders**

Support efforts to address census pressures at state hospitals through near-term funding measures that will enable all state hospitals to receive admissions of individuals subject to temporary detention orders without delays. **Support** competitive salaries and training for state hospital direct care staff. In addition, ongoing efforts to support community-based crisis services must continue.

- **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.

- **Utility Scale Solar Facilities:**

The treatment of solar projects continues to be an issue for some Virginia localities. Augusta County continues to see great 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. In order to experience some measure of return on investment, consideration should be given to allow localities to levy Machinery and Tools taxation on any project greater than 25 megawatts.

- **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 nineteen 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.

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 11-cent increase to the real estate tax rate:

Machinery & Tools	\$4,400,000
Business License	<u>3,500,000</u>
Total	<u>\$7,900,000</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 2018-2020 biennium budget and continues in the 2021 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 \$414,000 or 18% drop since 2018.

Support updating the Communications Sales and Use Tax (CSUT) to ensure that it reflects the modern telecommunications landscape, which has evolved since the CSUT took effect in January 2007.

- **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 2022 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.

- **Water and Wastewater:**

Support We support adequate funding of the state Water Quality Improvement Fund grants to localities for wastewater nutrient removal consistent with the Chesapeake Bay TMDL.

Support amending Virginia § 58.1-3660 to enable political subdivisions to self-certify equipment for the political subdivision's own facilities to make certification of the existing pollution control equipment sales tax exemption more efficient and effective for localities and for Department of Environmental Quality.

Support amending Virginia Code § 32.1- to require that the development of any drinking water maximum contaminant levels for PFAS set by the Virginia Department of Health comply with the scientific and technical requirements applicable to the development of such levels by the U.S. EPA in accordance with the Safe Drinking Water Act and be at least as protective.

- **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.

- **Statewide locational approach to siting of solar energy facilities and energy storage facilities:**

Support the designation of priority areas statewide – such as brownfields, greyfields, and capped landfills – for development of utility scale solar energy facilities and energy storage facilities.

- **Marijuana Sales and Land Use:**

Augusta County requests that the determination of permitting and zoning regulations for commercial marijuana sales uses be left up to local governments with minimal state interference. Augusta County supports allowing localities to place a referendum on the 2022 ballot to allow voters to make the decision as to whether retail sales of marijuana will be permitted in the jurisdiction for the first five years upon legalization of commercial marijuana sales.

- **Single Family Residential Zoning and Housing Affordability:**

Oppose House Bills 150, 151, and 152, which were proposed in the 2021 General Assembly Session and together would require all Virginia localities to permit various types of “missing middle” housing in all zoning districts, essentially abolishing single-family residential zoning. While Augusta County is in full support of providing safe and affordable housing and recognizes the importance of developing “missing middle” housing statewide, the decision of what types of housing should be permitted under certain zoning designations is a highly context-sensitive situation. Requiring localities that are predominantly rural in nature – like Augusta County – to adhere to zoning policies that are better suited for urbanized areas with high population density does not allow planners to make land use decisions that are compatible with that area’s density, geography, utilities, and transportation infrastructure. In a county as large as Augusta County, the provision of water and sewer services that would

support higher density housing is limited to certain areas, and may not be able to support higher density even where existing unless extremely costly investments are made. The County is unique in that over 90 percent of its land is zoned “General Agriculture.” Along with all agricultural uses, this zoning permits a variety of housing types to be developed by-right or with administrative approval, including accessory dwelling units, multiple single-family dwellings on the same lot, and manufactured or mobile homes. Augusta County currently has nine existing or planned developments that are either income-restricted or otherwise designated as affordable. In addition, one-third of Augusta County’s rezoning requests in 2021 have encompassed multi-family or mixed-use development, all of which have been approved.

- **Transportation Infrastructure Investment:**

Support continued increases of state funding for transportation infrastructure improvements. As Augusta County’s economy is heavily reliant on exports of manufactured goods and agricultural products, maintaining a safe, reliable, and adequate transportation network is critical in ensuring high quality of life and continued economic development.

- **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. 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.

Support legislation to minimize or eliminate split voting precincts and to streamline a process to address situations in which census boundaries do not align with locally drawn or commonly adhered to boundaries.

- **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 locality's 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:**

Augusta County supports HB 1917, proposed in the 2021 General Assembly Regular Session, which would permit localities to forego the requirement of publishing certain public notices in newspapers having general circulation in the locality and instead meet the requirement by posting such notices online only. The cost to the Community Development Department for FY21 was \$12,047 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.

- **Records Preservation – Clerk's Office:**

The County supports the addition of Budget Language to have a study and assessment completed by both the Library of Virginia and Virginia Court Clerk's Association of the records that were preserved from the 1930s to the 1990s through a process called cellulose acetate. Such study would reveal the

magnitude of the problem, and the potential costs that would require a solution and funding.

- **Children's Services Act:**

Support continued study of use of Children's Services Act pool funds to support special education needs: to include 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 \$3.4 million on Special Education Alternative Day Placements in FY2021 and sees benefit in local public day placement programs 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.

END