

VIRGINIA: A CONTINUED MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD IN THE MAIN DINING ROOM OF THE AIRFIELD 4-H CENTER AT 15189 AIRFIELD ROAD, WAKEFIELD, VIRGINIA ON FRIDAY, MAY 11, 2012 AT 5:30P.M. THE SURRY COUNTY BOARD OF SUPERVISORS PARTICIPATED IN THE VIRIGINIA ASSOCIATION OF COUNTIES REGIONAL 2012 SPRING MEETING. THE MEETING WAS HOSTED BY SURRY COUNTY.

PRESENT: SUPERVISOR JUDY S. LYTTLE, CHAIRMAN
SUPERVISOR JOHN M. SEWARD, VICE-CHAIR
SUPERVISOR KENNETH R. HOLMES
SUPERVISOR GIRON R. WOODEN, SR.

ABSENT: SUPERVISOR ERNEST L. BLOUNT

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR

ADDITIONAL PARTICIPANTS:

MR. JIM CAMPBELL, EXECUTIVE DIRECTOR, VACo
MR. DEAN LYNCH, DEPUTY EXECUTIVE DIRECTOR, VACo
MR. GAGE HARTER, DIRECTOR OF COMMUNICATIONS, VACo
MS. AMY VEALEY, ADMINISTRATIVE ASSISTANT, VACo
CHAIRMAN AL CASTEEN, ISLE OF WIGHT COUNTY BOARD
SUPERVISOR DELORES DARDEN, ISLE OF WIGHT COUNTY BOARD
MR. W. DOUGLAS CASKEY, ISLE OF WIGHT COUNTY ADMINISTRATOR
SUPERVISOR CARL J. FAISON, SOUTHAMPTON COUNTY BOARD
SUPERVISOR DALLAS O. JONES, SOUTHAMPTON COUNTY BOARD
MR. MICHAEL JOHNSON, SOUTHAMPTON COUNTY ADMINISTRATOR
VICE-CHAIR JERRY J. SKALSKY, PRINCE GEORGE COUNTY BOARD
SUPERVISOR WILLIAM A. ROBERTSON, JR., PRINCE GEORGE COUNTY BOARD
SUPERVISOR WILLIAM F. GANDEL, PRINCE GEORGE COUNTY BOARD
MR. PERCY C. ASHCRAFT, PRINCE GEORGE COUNTY ADMINISTRATOR

There was no representative from Sussex County present.

The VACo 2012 Region I Spring Meeting was scheduled for the purpose of identifying legislative issues of interest to Region I localities including: Accomack, Isle of Wight, Northampton, Prince George, Southampton, Sussex and Surry Counties.

VACo staff provided information and moderated discussion of the following subjects:

Aid to Localities – anticipating a \$60 million reduction

Court Fine and Fees – legislation has been introduced at the state level which would divert a percentage of these revenues to the state budget

Virginia Retirement System – current legislation contains no requirement for localities to pay the employee share
Budget Amendments # 30 and # 37 – two budget amendments that VACo has identified that could impact the fiscal and service capabilities of local governments. VACo representatives urged County representatives to oppose these two amendments.

(Copies of presentation materials are attached as an integral component of these minutes.)

ADJOURNMENT

VACo's 2012 Short Legislative Summary



VACo's legislative team has prepared the following summary for county leaders. The briefing provides a review of key bills including the adopted budget, but it is not a comprehensive review of all legislation affecting counties. VACo will release its 2012 Legislative Summary later this spring.

As always, please call VACo at (804) 788-6652 if you have a question about a specific bill or issue.

Legislation Passed in 2012

Administration of Government, Public Safety and Telecommunications

HB 5 (Bell, R.B.)/SB 240 (Obenshain) calls for a referendum at the Nov. 6, 2012 general election on a constitutional amendment regarding whether private property may be taken or damaged without just compensation.

HB 13 (Ingram) allows localities to exclude prisoners in federal, state or regional facilities from the calculations for the decennial drawing of local election districts if the correctional facility's population exceeds 12 percent of the ideal population of an election district for the locality.

HB 141 (Cole) exempts from disclosure the names, physical addresses, telephone numbers, and email addresses contained in correspondence between an individual and a member of the governing body, school board, or other public body of the locality in which the individual is a resident, unless the correspondence relates to the transaction of public business.

HB 185 (Gilbert) provides that a person charged under a state offence cannot be charged for a violation of a local ordinance for the same offence.

HB 375 (Pogge) bars localities from preventing their employees from bring a firearm to work as long as it is stored in a locked private motor vehicle.

HB 480 (Albo) provides that a member of a public body may attend a closed meeting held by any of its committees or subcommittees, provided such member does not participate in any discussions held by the committee or subcommittee conducting the closed meeting.

HB 587 (Merricks)/SB 418 (Stanley) streamlines the process for obtaining approval from the State Corporation Commission for a 138 kilovolt electric transmission line.

VACo's 2012 Short Legislative Summary

HB 975 (Bell, R.B.) clarifies that (i) property may be taken by eminent domain by a public corporation for sanitary sewer, water and stormwater facilities, or transportation facilities and (ii) a government utility corporation (a county or municipality, or entity or agency thereof, that provides or operates specified authorized utility services) shall be considered to be acting as a public service corporation or public service company with regard to the provision of such authorized utility services for the purposes of any taking of private property by eminent domain in accordance with the Constitution of Virginia.

HB 1295 (Byron)/SB 679 (Newman) eliminates various local mandates relating to procurement, education and the construction of a new courthouse.

HB 1035 (Joannou)/SB 437 (Obenshain) defines the terms "lost profits" and "lost access" and how to determine the amount of just compensation, which includes lost profits and lost access resulting from the taking, that must be paid for property taken by eminent domain. The bill is contingent on the passage of the proposed eminent domain constitutional amendment.

Community Development and Planning

HB 869 (Rust)/SB 274 (Smith) makes the designation of urban development areas optional for all localities.

HB 1076 (Hugo) allows localities to require a special use permit for the storage or disposal of certain nonagricultural materials not generated on agriculturally zoned property.

HB 526 (Cosgrove) prohibits localities from banning the departure and landing of private, non-commercial helicopters within their jurisdiction. The bill allows, however, the local zoning ordinance to include require a special permit under certain circumstances.

Compensation and Retirement

HB 1130 (Howell, W.)/SB 498 (Watkins) creates a hybrid defined contribution and defined benefit retirement program; all new employees hired after Jan. 1, 2014 are required to participate in the plan.

SB 497 (Watkins) requires all local and school board employees to pay the 5% employee contribution to VRS and to provide and requires localities and school boards to give employees a commensurate raise to offset the employee contributions.

Education

HB 76 (Habeeb)/SB 278 (Smith) moves from Apr. 15 to Jun. 15 the date of contract renewal for teachers without continuing contract status.

HB 93 (Albo) increases the minimum amount of vehicle liability insurance required to be carried by public schools.

HB 96 (Wilt) delays until Jul. 1, 2013 the implementation of statutes and regulations upon which the accreditation of schools is based, unless required by federal code, federal regulation, or court action.

VACo's 2012 Short Legislative Summary

HB 1107 (Greason)/SB 656 (McEachin) requires local school boards to adopt and implement policies for the possession and administration of epinephrine in every school by the beginning of the 2012-2013 school year.

Environment and Agriculture

HB 766 (Landes)/SB 128 (Stanley) creates the Governor's Agriculture and Forestry Industries Development Fund to support localities' efforts to attract processing facilities that use Virginia-grown products.

HB 1065 (Sherwood)/SB 407 (Hanger) integrates elements of the Erosion and Sediment Control Act, the Stormwater Management Act, and the Chesapeake Bay Preservation Act. The bill also mandates that all localities outside of the area subject to the Chesapeake Bay Preservation Act assume the responsibility previously held by the state for the management of stormwater programs by Jul. 1, 2014.

SB 676 (Garrett) increases from once a year to once every four years the frequency that solid waste planning units or localities with populations less than 100,000 persons must submit a recycling report.

Finance and Taxation

HB 190 (O'Bannon) requires the Department of Veterans Services to promulgate rules and regulations for the administration and implementation of the real property tax exemption for disabled veterans.

HB 743 (Farris) allows localities to exempt, partially exempt, or set a lower tax rate for, motor vehicles used exclusively for farming.

HB 1073 (Hugo)/SB 73 (Watkins) requires that, in any appeal to a board of equalization concerning the fair market value of residential apartments in excess of four units, the board use the income approach to valuation, unless certain specified exceptions exist. The bill applies to tax years beginning on or after Jan. 1, 2012.

SB 614 (Edwards) requires the state comptroller to make adjustments in the next two month's distribution of sales tax revenues to a locality after it is discovered that an error in payment was made.

Health and Human Services

HB 3 (Marshall, R.) adds athletic coaches, directors, or other persons aged 18 years or older employed by or volunteering with private sports organizations or teams and administrators or employees aged 18 years or older of public or private day camps, youth centers, and youth recreation programs to the list of persons required to report suspected child abuse or neglect to the Department of Social Services.

VACo's 2012 Short Legislative Summary

HB 135 (Kilgore)/SB 396 (Hanger) adds two local government representatives, chosen from the members of a county board of supervisors or a city council and a county administrator or city manager, to the State Executive Council for Comprehensive Services for At-Risk Youth and Families.

HB 1237 (Scott, E.)/SB 239 (Stuart) adds individuals who are 18 years of age or older and who are associated with or employed by any public organization responsible for the care, custody, or control of children to the list of individuals required to report suspected child abuse or neglect.

Transportation

HB 800 (Webert) allows counties establish a 35 mile per hour speed limit on nonsurface-treated roads.

HB 914 (Minchew) allows counties and towns, pursuant to an agreement with the Highway Commissioner, to install "Children at Play" signs at their own cost on highways within their boundaries.

HB 1164 (Bulova) requires the Secretary of Transportation to examine every four years the process by which secondary and urban highway system maintenance and improvement projects are approved.

HB 1248 (Lingamfelter)/SB 639 (Wagner) gives the Commonwealth Transportation Board new authority to allocated annually \$500 million for certain transportation construction activities. The bill also gives VDOT authority to review the transportation component of local comprehensive plans. Finally, the legislation adds maintenance to the list of activities for which monies in the transportation revenue sharing program can be used.

Failed or Carried Over Bills

Administration of Government

HB 36 (Cole) requires a political party rather than a locality must pay the cost of a primary.

HB 222 (Head)/SB 664 (Smith) allows localities to meet certain legal notice requirements by utilizing their websites, radio or television, rather than a newspaper of general circulation.

HB 788 (Lopez) requires all new public building greater than 7,500 gross square feet in size, or public building being renovated where the cost of renovation exceeds 75 percent of the value of the building, to build to either the LEED Silver or Green Globes two globe standard.

HB 834 (Carr) provides that fines imposed under certain local ordinances dealing with certain offenses are to be paid to the school division of the locality in which the fines were imposed and into the Literary Fund

SB 389 (Marsden) allows localities to prohibit the possession of pneumatic guns on school property, at a school function held on property open to the public, and on school buses.

VACo's 2012 Short Legislative Summary

Community Development and Planning

HB 383 (Pogge) allows for an award of fees, expenses, and court costs to any party who prevails when contesting a challenge to a zoning action or the validity of a zoning ordinance.

HB 614 (LeMunyon) requires that no zoning amendment can be approved unless it is substantially in accord with the adopted comprehensive plan.

HB 1114 (Morris) limits local regulation or land use requirements for sport shooting ranges to those in effect at the time the sport shooting range was approved.

HB 1196 (Cole) requires localities to consider private schools or day care centers operated by a religious institution as permitted uses in any zoning classification where religious institutions are also a permitted use.

Education

HB 1063 (Tata) makes local school boards responsible for setting the school calendar and determining the opening of the school year.

Environment and Agriculture

HB 186 (Gilbert) allows localities to prohibit the land application of sewage sludge within its boundaries.

HB 913 (Minchew) makes optional the development and implementation of a regional or local solid waste management plan.

HB 1180 (Ingram)/SB 494 (Watkins) authorizes the Virginia Public Building Authority to issue an additional \$300 million in bonds to continue installing nutrient removal technology in eligible wastewater treatment facilities.

Finance and Taxation

HB 10 (Cole) prohibits localities from increasing its business, professional, occupational license (BPOL) fees or taxes above the rates of its BPOL fees and taxes imposed for the 2011 license year.

HB 24 (Cole) requires the local BPOL tax be imposed on the taxable income of a business instead of gross receipts for any locality that did not impose such a tax in license year 2011 and subsequently elects to impose such a tax.

HB 512 (Purkey) classifies as intangible personal property, and therefore subject solely to state taxation, machinery and tools purchased on or after Jul. 1, 2012, that have not been in service for more than three years.

SB 549 (Wagner) creates a grant program that would allow a person to apply for a grant for machinery and tools in service less than two years equal to the amount of local machinery and tools taxes paid.

VACo's 2012 Short Legislative Summary

Health and Human Services

SB 6 (Martin) requires local departments of social services to screen each VIEW program participant to determine whether probable cause exists to believe the participant is engaged in the use of illegal substances.

Transportation

HB 539 (Poindexter) allows localities to require the purchasers of a subdivision lot to contribute a pro rata share for required private road maintenance.

HB 878 (Sickles) allows localities to impose a license tax of up to \$250 annually, upon resident owners of motor vehicles that do not display license plates issued by the Commonwealth.

Key Studies

HB 777 (Landes) establishes the Joint Subcommittee to Evaluate Tax Preferences to oversee the evaluation of Virginia's tax preferences.

HJ 50 (Stolle)/SJ 76 (Northam) Virginia Institute of Marine Science to study strategies to prevent recurrent flooding in Tidewater and Eastern Shore Virginia localities.

HJ 85 (Purkey) directs the Joint Legislative Audit and Review Commission to study and determine the multiplier effects of various types of income tax credits, public-private partnerships, and other public-private investment programs.

HJ 243 (Byron) Department of Environmental Quality to study the benefits and costs of seeking authority from the U.S. Environmental Protection Agency to administer the § 404 permitting program under the federal Clean Water Act.

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VACo's FY 2012-2014 Budget Summary



The FY 2012–2014 state budget debate went into overtime in a special session of the 2012 General Assembly. The budget bills, [HB1300 \(pdf\)](#) | [HB1301 \(pdf\)](#) , were passed on April 25 after three previous failed attempts to secure the needed votes. The approved budget includes amendments to FY 2012-2014 state budget, HB1300 and amendments to the governor's introduced biennial budget for FY 2012-2014, HB1301.

The General Assembly is scheduled to reconvene on Monday, May 14 to act on gubernatorial recommendations to the budget bills. The governor has proposed 19 amendments to HB 1300 and 88 amendments for HB 1301.

The General Assembly can approve or reject the governor's budget amendments but cannot amend them. Since the budget bills originated in the House of Delegates that chamber will vote on the governor's amendments first. Any amendment rejected by the House will not go forward for Senate consideration. The budget amendments approved by the Senate are then sent to the governor. He can sign the remaining amendments into law or he can veto those items in the budget that the General Assembly refused to amend.

Highlights of Amendments to the FY 2012 Approved Budget (HB 1300)

Education

Reduces Direct Aid to Education by \$23.38 in FY12 from the general fund and the lottery fund to reflect changes in average daily membership projections and participation.

Health and Human Services

Reduces appropriations for the Comprehensive Services Act by \$24.83 million to reflect the anticipated reduction in caseload and caseload expenses.

Transportation

Allocates the \$67.2 million of year-end general fund surplus for transportation to the Virginia Transportation Infrastructure Bank (\$28.7 million) and to initially capitalize the Intercity Passenger Rail Operating and Capital Fund (\$28.7 million).

Reduces by \$1.5 million in FY12 funds available for the Industrial Road Access Fund.

VACo's FY 2012-2014 Budget Summary

Highlights of FY 2013-2014 Approved Budget (HB 1301)

Aid to Localities

Reduces the "Local Aid to State Government" payment from the current \$60 million to \$50 million in FY 2013 and \$45 million on FY 2014.

Court Fines and Fees

Requires all local fines and fees collected by the state court system be deposited directly into the State Treasury. Directs the Auditor of Public Accounts to annually calculate the amount of total fines and fees (for violations of state laws and local ordinances) collected by these courts, and then determine the localities where total local fines and fee collections exceed 40 percent of the total collections. All local collections under 40 percent of the total of state and local collections, plus one half of the local collections in excess of 40 percent of the total, will be transferred electronically to the respective local treasuries on a monthly basis. These local funds will then be used to supplant state funds currently going into the State Literary Fund to be used for the state share of costs towards state-mandated teacher retirement.

Courthouse Construction

Continues the suspension of the authority of circuit courts to enter orders requiring localities to repair or replace court facilities if they are deemed out of repair.

Compensation and Retirement

Provides \$54.7 million from the general fund in FY 2014, contingent on specific revenue requirements, for a two percent salary increase for state classified employees on July 10, 2013, and state-supported local employees on Aug. 1, 2013.

Provides for a one-time three percent bonus for all state employees on Dec. 1, 2012.

Makes a technical correction to budget language that will conform the budget bill to the provisions of the most recently approved pension reform bills, and allows for the phase-in of the VRS Board-approved employer contribution rates for local employers over three biennia.

Compensation Board

Carries forward language from the current budget that limits the Compensation Board's retirement reimbursement cap for constitutional officers and their employees at no more than 2.13 percent for the biennium.

Continues the recovery of 100 percent of the cost in FY 2012 from localities for the Virginia Risk Management liability insurance and surety bond premiums paid by the Compensation Board on behalf of Constitutional Officers, Directors of Finance, and Regional Jails.

VACo's FY 2012-2014 Budget Summary

Commerce and Trade

Creates the Virginia Housing Trust Fund and provides \$7 million in FY 2014 from the Mortgage Servicing Settlement Agreement.

Provides \$1 million in each year for the Governor's Agriculture and Forestry Industries Development Fund to attract economic prospects involving agriculture and forestry operations to locate or expand in Virginia.

Education

Provides a net of \$2.4 million in FY 2014 from the general fund to reflect additional sales tax revenues collected as a result of the passage of the "Amazon" sales tax bill.

Provides \$23.5 million in FY 2013 and \$23.6 million in FY 2014 from the general fund to pay for state's share of updating the free lunch eligibility rate data used in the K-3 Primary Class Size Reduction program.

Provides \$2.1 million in FY 2013 and \$4.1 million in FY 2014 from the general fund to expand the Early Intervention Reading Initiative funding from 25 percent to 62.5 percent in the first year and from 25 percent to 100 percent in the second year for eligible third grade students.

Reflects funding of \$1.05 million in FY 2013 for the \$5,000 incentive payments for the teachers in the schools participating in the 2011-12 Performance Pay Pilot.

Provides \$55 million each year from the general fund in additional funding to school divisions to assist with 1) the increase from 6.33 percent to 11.66 percent in the teacher retirement employer contribution rates funded in the budget as introduced; 2) non-personal inflation costs, and 3) any one-time costs associated with local Virginia Preschool Initiative programs.

Provides \$27.8 million in FY 2013 and \$12.1 million in FY 2014 to fund the Cost of Competing Adjustment (COCA) rate for the SOQ Basic Aid support positions at 22.7 percent in FY 2013 and 9.83 percent in FY 2014 for school divisions in Planning District 8.

Requires school divisions to report on the percentage of the annual operating budget allocated to instructional costs.

Extension Services

Provides \$500,000 from the general fund in each year to support the critical staffing initiative for Cooperative Extension and the Agricultural Experiment Station.

VACo's FY 2012-2014 Budget Summary

Health and Human Resources

Reduces \$7.3 million in FY 2013 and \$10.5 million in FY 2014 from the general fund to reflect lower caseload growth in the Comprehensive Services Act as more children leave foster care and transition to permanent placements.

Restores \$2.2 million from the general fund each year for "wrap-around" services for children and youth with special education needs to prevent their placement in more restrictive and expensive special education settings.

Requires the Office of Comprehensive Services to evaluate the impact of the changes to the state and local match rates for services provided through the Comprehensive Services Act on the treatment outcomes of children and youth served by the program.

Adds \$16.7 million from the general fund and \$13.7 million in federal Medicaid matching funds in FY 2013 and \$23.2 million from the general fund and \$19 million in federal matching funds in FY 2014 to provide a 2.6 percent increase in hospital inpatient payments in in FY 2013.

Adds \$11.5 million in FY 2013 and \$17.5 million in FY 2014 from the general fund and a like amount of federal Medicaid matching funds to provide a 2.2 percent increase in nursing facility rates and ceilings each year and to increase the operating rate ceilings by an additional one percent in FY 2013.

Provides funding to add 225 Medicaid home and community based waiver slots over the biennium for individuals with intellectual disabilities.

Provides funding to add 80 Medicaid home and community-based waiver slots over the biennium for individuals with developmental disabilities.

Provides \$6 million from the general fund and \$6 million in federal matching funds to restore Medicaid long-term care services for 1,494 elderly and disabled individuals.

Provides \$500,000 each year from the general fund for Community Action Agencies. This action provides level funding for these agencies over the 2012-14 biennium.

Line of Duty Act

Adds language under the Line of Duty program to state that localities that do not participate in the statewide pool are not responsible for contributing to the administrative cost of managing the statewide program. Those localities, however, will still be responsible for payments to the State Comptroller for eligibility determination.

Allows localities that have established trusts to fund Other Post Employment Benefits (OPEB) to use these trusts to fund payments for the Line of Duty Benefit which is an OPEB benefit.

VACo's FY 2012-2014 Budget Summary

Natural Resources

Designates up to \$1 million in Water Quality Improvement Fund to assist local governments in developing required stormwater programs

Provides \$258,290 in FY 2013 for the rehabilitation of a high hazard, recreational use dam that includes within its dam break inundation zone numerous residences, several rural roads, and U.S. 460.

Restores operational funding of \$2.04 million in each year for the 47 soil and water conservation districts.

Provides an additional \$500,000 in general fund support each year for the Virginia Land Conservation Foundation, increasing funding for open-space preservation from \$500,000 per year to \$1,000,000 per year.

Provides an additional \$42.3 million in FY 2013 and \$0 in FY 2014 to upgrade the nutrient removal technology at those wastewater treatment plants for which the Department of Environmental Quality (DEQ) has signed grant agreements. This sum will be added to the introduced budget, which means that \$87.6 million will be available in the form of grants for wastewater treatment plants.

Transportation

Language calling for a study of devolution not included in the budget.

Eliminates the governor's proposed increase in sales tax proceeds deposited to the Highway Maintenance and Operating Fund and the transfer of the waste tire fee revenues from DEQ to VDOT.

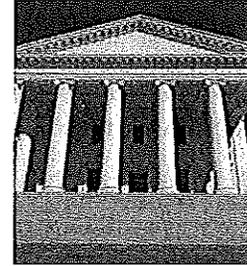
Adds an additional \$9.3 million over the biennium to the maintenance fund resulting from an increase in fees for overweight trucks contained in HB 806 (May).

Prohibits more than two-thirds of year-end surplus revenue being allocated to transportation. This overrides the provisions the governor's approved transportation bill - HB 1248 (Lingamfelter) and SB 639 (Wagner) – that allows for 100% of year-end surplus being allocated to transportation.

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Session Highlights

2012



The 2012 *Session Highlights* summarizes significant legislation considered by the 2012 General Assembly as selected by the staff of the Virginia Division of Legislative Services. The brief overview of the General Assembly Session covers legislative actions through sine die, March 10, 2012.

ABC

Passed

Alcoholic beverage control; outdoor advertising; penalty. Requires all outdoor advertising of alcoholic beverages to be in compliance with ABC law, ABC Board regulations, and VDOT law and regulations concerning outdoor advertising.

Business

Passed

Workers' Compensation. Excludes a person who suffers an injury on or after July 1, 2012, from coverage under the Virginia Workers' Compensation Act if there is jurisdiction under either the Longshore and Harbor Workers' Compensation Act or the Merchant Marine Act of 1920.

Cable television systems and telecommunications service provider attachments to poles of electric cooperatives. Authorizes the State Corporation Commission to determine just and reasonable rates, and certain terms and conditions of service, for attachments to electric cooperative poles by telecommunications service providers and cable television systems.

Renewable energy portfolio standard program; credits for investments. Allows any investor-owned electric utility that participates in the renewable energy portfolio standard program to meet up to 20 percent of an RPS Goal through certificates evidencing the utility's expenses in conducting research and development activities in Virginia related to renewable or alternative energy sources if certain conditions are met.

Fire insurance; coverage for costs of services by volunteer fire departments. Requires fire insurance policies to provide coverage, with limits not less than \$250, for the cost charged by a volunteer fire department that is not fully funded by real estate or property taxes for service charges when the fire department is called in to save or protect property insured under the policy.

Carried Over

Electric utilities; retail competition; purchases from net metering sellers. Authorizes individual retail customers who are eligible customer-generators under Virginia's net energy metering program to purchase electricity provided 100 percent from renewable energy exclusively for their own consumption from a net metering seller.

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Virginia Health Benefit Exchange. Creates the Virginia Health Benefit Exchange, which will be established and operated by a new division within the State Corporation Commission.

Constitutional Amendments

Passed

Constitutional amendment (voter referendum); taking or damaging of private property; public use. Provides for a referendum at the November 6, 2012, election to approve or reject an amendment that revises the prohibition on the enactment by the General Assembly of eminent domain laws whereby private property may be taken or damaged without just compensation.

Courts & Civil Law

Passed

Rules of Evidence; adoption. Provides that the Rules of Evidence that have been prepared and adopted by the Supreme Court of Virginia and approved by the Virginia Code Commission shall take effect on July 1, 2012. A rule derived from an evidentiary provision in the *Code of Virginia* shall note such *Code* section in the title of the rule. Subsequent amendments or additions to the Rules of Evidence must be adopted by the Supreme Court of Virginia by November 15 and shall become effective on July 1 of the following year unless the General Assembly modifies or annuls such amendments or additions by general law.

Use of affidavits in no-fault divorce cases. Allows parties to submit evidence supporting the grounds for a no-fault divorce by affidavit or deposition, without leave of court, in lieu of oral testimony in certain conditions.

Adoption procedures. Makes various changes to adoption procedures. The measure also makes changes to the process of registering with the Putative Father Registry.

Winter Sports Safety Act. Limits the liability of ski resorts and other winter sports area operators when death, personal injury, or property damage is

caused by an inherent risk of participating in a winter sport.

Action for death by wrongful act; fetal death. Creates a cause of action for the death of a fetus caused by the wrongful act, neglect, or default of any person, ship, vessel, or corporation. No cause of action for the death of the fetus may be brought against the natural mother of the fetus.

Failed

Foreclosure; use of false records, documents, or statements. Provides that any person who knowingly makes, uses, or causes to be made or used a false or fraudulent record, document, or statement in support of any foreclosure shall be liable to the injured party.

Criminal Justice

Passed

DUI ignition interlock limitations. Provides that a person who is convicted of DUI may drive only with an ignition interlock after the first offense, as a condition of a restricted license, and is required to have an ignition interlock installed in each vehicle owned by or registered to him after a second offense.

Methamphetamine precursors; sale and tracking; penalties. Requires the Department of State Police to enter into a memorandum of understanding to establish the Commonwealth's participation in a real-time electronic recordkeeping and monitoring system for the nonprescription sale of ephedrine or related compounds. The measure is effective January 1, 2013.

Sex crimes; penalties. Imposes upon an adult offender a mandatory minimum life sentence for rape, forcible sodomy, and object sexual penetration of a child under the age of 13.

Penalty for subsequent offenses of drug trafficking. Provides that any person convicted of a second offense of drug trafficking who has also been previously convicted shall be fined not more than \$500,000 and imprisoned for five to 40 years, with a mandatory minimum term of incarceration of three

years. The three-year mandatory term is a new penalty. The bill also increases the mandatory minimum term of incarceration for a third such offense from five to 10 years.

Failed

Arresting officer to ascertain citizenship of arrestee. Requires that an arresting officer ask an arrestee whether he is in the country legally. The measure also provides that when a law-enforcement officer believes that the person is not legally present in the United States, he shall communicate to the judicial officer the facts and circumstances underlying his belief.

Sex offender registry; juvenile registration. Requires registration on the sex offender registry for juveniles who were over the age of 13 at the time of the offense who were adjudicated delinquent on or after July 1, 2012, (a House version set July 1, 2005, as the date of adjudication), of rape, forcible sodomy, or object sexual penetration.

Carried Over

Castle doctrine. Encodes a version of the "castle doctrine," which allows a person in his dwelling to use physical force, including deadly force, against an intruder in the dwelling who has committed an overt act against him or another person who is lawfully in the dwelling.

Education

Passed

Public schools; possession and administration of epinephrine. Requires local school boards to adopt and implement policies for the possession and administration of epinephrine in every school.

Online courses; teacher licensure. Requires the Board of Education to develop licensure criteria for teachers who teach only online courses.

Public schools; residency of children in kinship care. Allows a child receiving kinship care from an adult relative to enroll in the school division where the kinship care provider resides. The measure also allows local school divisions to require one legal parent and the kinship care provider to sign

affidavits detailing the kinship care arrangement as well as a power of attorney authorizing the close relative to make educational decisions regarding the child.

Failed

School calendar. Makes local school boards responsible for setting the school calendar and determining the opening of the school year and eliminates the post-Labor Day opening requirement and "good cause" scenarios for which the Board of Education may grant waivers of this requirement.

Nonpublic school students; participation in interscholastic programs. Prohibits public schools from joining an organization governing interscholastic programs that does not allow certain students to participate.

Public schools; virtual education. Provides that any student who enrolls full time in a virtual school program served by a multidivision online provider outside his school division of residence shall have his state share of Standards of Quality per pupil funding, as well as 76 percent of his local share, transferred from the school division of residence to the enrolling school division.

Carried Over

Public schools; teacher contract and evaluation policies. Makes several changes to the processes by which teachers and certain administrators are evaluated and retained.

Elections

Passed

Voter identification requirements; provisional ballots. Eliminates the provision that allows a voter to sign a sworn statement that he is the named registered voter he claims to be in lieu of showing identification. A voter without identification will be offered a provisional ballot and be told that he may submit a copy of one of the required forms of identification to the electoral board in person or by facsimile, electronic mail, or other means. The bill expands the list of acceptable forms of identification to include a valid student identification card issued by a Virginia four-year institution of higher

education and certain other documents that show his name and address.

Failed

Absentee voting; application by electronic mail or other electronic means. Provides that the State Board of Elections shall implement a system to accept absentee ballot applications electronically.

General Laws

Passed

Virginia Personnel Act. Provides a preference in state government hiring for members of the Virginia National Guard.

Virginia Personnel Act. Provides a preference in state government hiring for the spouses and children of veterans who were killed in the line of duty.

Failed

Virginia Public Procurement Act. Allows a locality to give a procurement preference to persons, firms, or corporations having principal places of business in the locality if such bidder's bid is within five percent of the lowest bid.

Virginia Public Procurement Act. Authorizes any locality to include in its contracts a provision requiring the contractor to ensure that a specified percentage, not to exceed 20 percent, of the work under the contract be performed by residents of the locality.

Virginia Public Procurement Act. Authorizes localities to apply a preference for bidders or offerors located in the locality of up to 10 percent, provided certain conditions are met.

Pawnbrokers. Requires pawnbrokers to take a digital image of (i) the person involved in the transaction, (ii) the form of identification used by the person involved in the transaction, and (iii) the article or thing pawned or pledged or received on account of money loaned.

Carried Over

Virginia Public Procurement Act. Provides a bid match preference for Virginia business. Under the measure, a Virginia business has an opportunity to match the lowest bid of an out-of-state bidder if the

bid of a Virginia business is within five percent or \$10,000 of the lowest bid of an out-of-state bidder, whichever is less.

Health

Passed

Abortion; informed consent. Requires that, as a component of informed consent to an abortion, to determine gestational age, every pregnant female shall undergo transabdominal ultrasound imaging and be given an opportunity to view the ultrasound image of her fetus prior to the abortion. The medical professional performing the ultrasound must obtain written certification from the woman that the opportunity was offered and whether the woman availed herself of the opportunity to see the ultrasound image or hear the fetal heartbeat. A copy of the ultrasound and the written certification shall be maintained in the woman's medical records at the facility where the abortion is to be performed. The ultrasound is not required if the woman is the victim of rape or incest and the incident was reported to law enforcement.

Health insurance; parity of coverage for oral chemotherapy medications. Requires health insurers, health care subscription plans, and health maintenance organizations whose policies provide coverage for cancer chemotherapy treatment to provide the same coverage without a higher copayment, deductible, or coinsurance amount for prescribed, orally administered anticancer medication as it does intravenously administered or injected anticancer medications. The mandate will apply to the state employees' health insurance plan and to the local choice health program.

Virginia All Payer Claims Database; creation. Establishes the Virginia All-Payer Claims Database system. The measure also creates the Advisory Board on Health Care Data Reporting to assist the Board of Health in developing regulations implementing the All-Payer Claims Database.

Practice of nurse practitioners; patient care teams. Provides that nurse practitioners will only practice as part of a patient care team and makes other amendments governing the practice of nurse practitioners.

Carried Over

Licensure of dietitians. Requires the Board of Medicine to promulgate regulations for the licensure of dietitians in the Commonwealth.

Rights of unborn children. Provides that unborn children at every stage of development enjoy all the rights, privileges, and immunities available to other persons, citizens, and residents of the Commonwealth, subject only to the laws and constitutions of Virginia and the United States, precedents of the United States Supreme Court, and provisions to the contrary in the statutes of the Commonwealth.

Human papillomavirus vaccination. Eliminates the requirement for vaccination against human papillomavirus for female children.

Local Government

Passed

Urban development areas. Makes designation of urban development areas optional for all localities. Currently urban development areas are mandatory for many higher growth localities.

Militia and Police

Passed

Concealed handgun permit applications; fingerprints. Removes the option for a locality to require that an applicant for a concealed handgun permit submit fingerprints as part of the application.

Purchase of handguns; eliminate limitation on handgun purchases. Eliminates the prohibition on purchasing more than one handgun in a 30-day period.

Failed

Firearms; alcohol; penalties. Provides that it is a Class 1 misdemeanor for a person who is under the influence of alcohol or illegal drugs to carry a loaded firearm in a public place and that a person found guilty is ineligible to apply for a concealed handgun permit for a period of five years.

Transfer of firearms; criminal records check. Adds a definition of "firearms show vendor" and

requires that a criminal history record information check be performed on the prospective transferee before the vendor may transfer firearms at a gun show.

Natural Resources

Passed

Nutrient Trading Act. Directs the Virginia Soil and Water Conservation Board to adopt regulations governing the certification of certain nutrient credits.

Integration of agencies' programs. Integrates elements of the Erosion and Sediment Control Act, the Stormwater Act, and Chesapeake Bay Preservation Act so that these regulatory programs can be implemented in a consolidated and consistent manner, resulting in greater efficiencies (one-stop shopping) for those being regulated. The measure also eliminates the Chesapeake Bay Local Assistance Board and places its responsibilities with the Virginia Soil and Water Conservation Board.

Development Fund. Creates the Governor's Agriculture and Forestry Industries Development Fund. The measure establishes an economic development grant and loan program targeted specifically at agricultural and forestry operations.

Use of mine voids. Provides that any coal remaining and any void left by the removal of coal remain the property of the owner or lessee of the mineral estate.

Failed

Trap, Neuter, and Return Programs. Permits a pound, animal shelter, or humane society to operate a program of trapping, vaccinating, and sterilizing feral cats before returning them to the sites where they were trapped.

Hunting on Sundays. Allows the hunting of wild birds or wild animals including nuisance species on Sundays in certain instances. However, a person is prohibited from hunting on Sunday within 250 yards of a place of worship or hunting deer on Sunday with the assistance of dogs.

Carried Over

Dangerous wild animals. Makes it a Class 1 misdemeanor to privately possess, sell, transfer, or breed dangerous wild animals. The measure would grandfather in the ownership of any existing lawful dangerous wild animals if certain conditions are met.

Bond issuance for wastewater treatment facilities and combined sewer overflow projects. Authorizes the Virginia Public Building Authority to issue an additional \$378 million in bonds to continue installing nutrient removal technology in eligible wastewater treatment facilities to comply with the Chesapeake Bay TMDL and the Watershed Improvement Plan.

Penning of fox and coyote; penalty. Makes it a Class 1 misdemeanor for any person to pen a fox or coyote with dogs. It is also a Class 1 misdemeanor to pursue, hunt, or kill or attempt to pursue, hunt, or kill a fox or coyote with dogs within a pen.

Retirement

Passed

Virginia Retirement System; hybrid defined contribution and defined benefit retirement program. Creates a new hybrid retirement program, administered by the Virginia Retirement System, that contains a defined contribution and a defined benefit component. All new state employees, local employees, and judges commencing employment on or after January 1, 2014, would be required to participate in the hybrid plan. Employees in service on December 31, 2013, would be given the opportunity to make a one-time, irrevocable election to participate in the new hybrid program. The bill also creates a disability program for local employees participating in the hybrid plan. The bill also makes adjustments to the existing defined benefit plan for nonvested employees, including lowering the retirement benefit multiplier from 1.7 to 1.65, and capping the cost of living adjustment at three percent. Any person with less than 20 years service who takes early retirement would not receive a cost-of-living adjustment until one year after he reaches normal retirement age.

Failed

Virginia Retirement System; fiscal impact analysis of employer contribution rates. Requires the Board

of the Virginia Retirement System to conduct a fiscal impact analysis whenever the appropriation for employer contribution rates included in the budget bill submitted by the Governor to the General Assembly is less than the Board-certified contribution rate, or when either house of the General Assembly adopts an amendment to the budget appropriating less than the Board-certified contribution rate.

Social Services

Passed

Suspected child abuse and neglect; mandatory reporting; penalties. Adds certain individuals to the list of those required to report suspected child abuse or neglect and reduces the time limit for reporting suspected child abuse or neglect by mandated reporters from 72 hours to 24 hours.

Child-placing agency; conscience clause. Provides that, to the extent allowed by federal law, no private child-placing agency shall be required to perform, assist, counsel, recommend, consent to, refer, or participate in any placement of a child for foster care or adoption when the proposed placement would violate the agency's written religious or moral convictions or policies.

Vital records; records becoming public. Makes changes to when birth, death, marriage, or divorce records become public information. The measure also provides for the redaction of social security numbers from publicly available records.

Failed

Contracts with child-placing agencies. Prohibits the Department of Social Services from contracting with or funding child-placing agencies that discriminate in providing placement services to children or prospective parents.

Carried Over

Substance abuse screening and assessment of public assistance applicants and recipients. Requires local departments of social services to screen each VIEW program participant to determine whether probable cause exists to believe the participant is engaged in the use of illegal substances. If a screening indicates reasonable cause to believe a participant is using illegal substances, the local

department of social services will require a formal substance abuse assessment of the participant, which may include drug testing.

Taxation

Passed

Transportation construction, operation and maintenance, and funding. Provides for the construction, maintenance, and funding of transportation by (i) increasing transportation's share of year-end surpluses to 67 percent, and (ii) authorizing the Commonwealth Transportation Board (CTB) to name highways, bridges, interchanges, and other transportation facilities for private entities if an annual naming rights fee is paid, with the revenue dedicated to highway maintenance and operation. The bill also charges the CTB with greater responsibilities involving integration of land use and transportation planning and authorizes the CTB to withhold federal and state funds for certain local or regional capital improvement projects if those projects are inconsistent with the Statewide Transportation Plan or the Six-Year Improvement Program. Provision is made for use of "revenue-sharing" funds for secondary highway system maintenance projects carried out by local governments. The bill provides for special allocations by the CTB for bridge reconstruction, high priority highway projects, and reconstruction of highways with particularly deteriorated pavements. Finally, the bill establishes an annual \$50 license tax for electric motor vehicles registered in the Commonwealth.

Retail sales and use tax; presumption for registration for collection of the tax. Creates a legal presumption to require certain out-of-state dealers who are connected to certain activities in the Commonwealth, to collect and remit sales and use tax to the Commonwealth on sales to Virginians.

Real property tax exemption for disabled veterans. Provides that the tax exemption for the primary residence of a disabled veteran, a disabled veteran and his spouse, or a surviving spouse of a disabled veteran includes real property held in certain trusts.

Tax credits; assistance to low-income families, scholarships for K through 12 students attending private schools. Establishes a credit beginning in taxable year 2013 for those donating to nonprofit

organizations that provided education improvement scholarships to certain students. The measure also expands the current Neighborhood Assistance Act Tax Credit program.

Roll-your-own cigarette machines. Declares that any person who maintains, operates, or rents a roll-your-own cigarette machine at a retail establishment for consumer use is a manufacturer of cigarettes, and resulting products from the machine are cigarettes.

Failed

Intangible personal property tax; machinery and tools. Classifies as intangible personal property, and therefore subject solely to state taxation, machinery and tools purchased on or after July 1, 2012, that have not been in service for more than three years.

Transportation

Passed

Overweight vehicle permits and fees. Provides a uniform method of assigning cost-based fees based on the amount that a vehicle is overweight. The measure has a delayed effective date of January 1, 2013.

Emissions inspections. Privatizes services now provided by the Department of Environmental Quality related to vehicle emissions inspections. The measure also updates authorized testing equipment, and allows use of wireless systems and on-road emissions testing. The measure also has a delayed effective date.

Driving two abreast in a single lane. Allows two-wheeled motorcycles to drive two abreast in a single lane.

HOV lanes; use by vehicle with clean special fuel license plates. Requires the Commissioner of Highways to report annually to the Chairmen of the House and Senate Transportation Committees on those HOV facilities whose high traffic volume has resulted in a degraded condition as identified by federal law.

Offenders required to register prohibited from operating certain charter buses. Provides that no person required to register on the Sex Offender and Crimes Against Minors Registry shall be permitted to operate a charter bus used to transport children to and from day care and certain children's activities.

Failed

Uninsured motor vehicles; fees. Raises the uninsured motor vehicle fee from \$500 to \$600.

Commonwealth Tolling Assistance Program. Establishes a program that would allow certain low-income students to receive an electronic tolling transponder without paying a deposit.

Carried Over

Commonwealth Transportation Board (CTB); composition. Changes the composition of the CTB so that one member will be appointed from each of Virginia's congressional districts and three more will be at-large appointees.

**DIVISION OF
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