

# 2015 Draft State and Federal Legislative Packages



**Council Briefing**  
September 9, 2014

# Briefing Purpose

- Present and discuss ***possible*** items for the City's 2015 State and Federal Legislative Packages.
- Highlight a few policy issues being considered by the Virginia Municipal League for the 2015 General Assembly Session.
- Consider next steps.

# State Legislative Requests



# Recurrent/Nuisance Flooding - Mandate Disclosure

- July 2014 – National Oceanic and Atmospheric Administration (NOAA) released a report entitled: ‘Nuisance Flooding’ an increasing problem as costal sea level rise”:
  - *“Eight of the top 10 U.S. cities that have seen an increase in so-called “nuisance flooding”--which causes such public inconveniences as frequent road closures, overwhelmed storm drains and compromised infrastructure--are on the East Coast...” (NOAA – July 28, 2014)*
- SJR 3/ HJR 16 of the 2014 General Assembly Session created the Joint Subcommittee on Recurrent Flooding. This body is charged to formulate recommendations for the development of a comprehensive and coordinated planning effort to address recurrent flooding.
- *Legislative request: Creation of a Statute (55.519-5) in the Code of Virginia that mandates real estate disclosure of flooding incidents to a potential buyers.*

# Board of Zoning Appeals

- Virginia Code Section 15.2-2308 provides for the creation of a local Board of Zoning Appeals. This Code Section also dictates membership and organization of such a Board.
- Section “E” provides the City of Virginia Beach’s City Council the authority to appoint its members.
- The City of Portsmouth’s Board of Appeals members are appointed by either our chief circuit court judge or his/her designee.
- In recent years, the City has been experiencing a problem with maintaining a pool of candidates to serve. Under the current system, the court does not maintain a candidates list, which in turn makes it hard to replace vacancies in a timely manner.
- Legislative request is for the General Assembly to amend and reenact this Code Section, adding the City of Portsmouth to Section “E” of this Statute.

# Security Interests No Bar to Distress

- Virginia Code Section 58.1-3942 provides for seizing property for delinquent taxes.
- Section “C” of this Statute states:  
*“A Security interest perfected prior to any distraint for taxes shall have priority over all taxes, except those specifically assessed either per item or in bulk against the goods and chattels so assessed. Taxes specifically assessed either per item or in bulk against goods and **chattels** shall constitute a lien against the property so assessed and shall have priority over all security interests...”*
- Legislative request is for the General Assembly to amend and reenact this Code Section, adding the following after the word “chattels”: ***and the costs of distraint for the collection of local taxes or other charges ...***”
- In adding this language it will make it more cost-effective for local Treasurers to use third-party collectors to seize property, thereby enhancing the process for collecting delinquent taxes.

# Payment of Administrative Costs, etc.

- Virginia Code Section 58.1-3958 provides the authority for any local governing body to impose upon delinquent taxpayers fees to cover administrative costs and/or reasonable attorney's or collection agency's fees.
- The second sentence of this Statute states: *“The attorney's or collection agency's fees shall not exceed 20 percent of the taxes or other charges so collected.”*
- This legislative request is to amend and reenact this Section of the Code to include the following language after the words **“so collected”**:  
  
***“In addition to the 20% collection fee, the attorney or collection agency may also recover the costs of distraint for the collection of local taxes or other charges”.***
- Inclusion of this language will guarantee that third-party collectors utilized by local Treasurers to seize property will be able to recoup their out-of-pocket costs, thereby enhancing the process for collecting delinquent taxes.

# State Public Policy Items



# Portsmouth Specific State Public Policy Items

- State budget cuts to Local Governments – *Minimize impacts.*
- Elimination/Restructuring of BPOL & M&T Taxes – *Oppose... local governments must be made whole.*
- Host Cities of the VPA – Equitable Funding – *Support.*
- Virginia Port Authority – Virginia International Terminal (formally Maersk Terminal or APM) – State Acquisition – *City of Portsmouth must be made whole for loss of tax revenue.*
- Enterprise Zones (EZ) – *Retain current structure unless more funding is provided.*
- Public Transit Funding – HRTA – *Support.*
- Opportunity Educational Institution – *Repeal Statute.*

# Virginia Municipal League's 2015 State Public Policy Items



## Items Under Consideration by VML Legislative Committee

- Hydraulic Fracturing – ***Oppose.***
- Water Quality Funding – ***Support retention.***
- State Aid for Local Law Enforcement (599 Fund) – ***Support retention.***
- Taxing, Licensing and Regulating Internet-based Businesses & Services – ***Support.***
- Fines and Costs Collection by Treasurers – ***Repeal 2014 Appropriation Act language barring Treasurers from collecting delinquent fines and costs.***
- Local Fines and Fees – ***Support legislation ending State confiscation .***
- Revision of State Aid to the Commonwealth – ***Oppose.***
- K-12 Education Funding – ***Retain current funding levels.***
- Low performing schools – ***Increase State financial support for existing programs.***

# 2015 Federal Legislative Package



# Federal Public Policy Issues to Follow

- Congressional FY15 Budget or Continuing Resolution carrying government operations through March 2015:
  - *Sequestration*
  - *Further Department of Defense Cuts*
  - *Possible cuts to domestic programs: CBDG and HOME*
- Congressional FY16 Budget, which will be sent to the Congress in February 2015:
  - *Same Issues as in FY15*
- Applying for competitive grants that will be issued once the six month CR is in place:
  - *TIGER Grant – Churchland Bridge (**Resubmission**)*

# Federal Public Policy Issues to Follow

- Tax reform/extenders legislation:
  - *Limiting Municipal Bond Deductions*
  - *Limiting Home Mortgage Deductions*
- Transportation Reform – MAP 21/ Highway Trust Fund
- Support Passage of Market Place Reform Act/ Opposition to Permanent Internet Tax Freedom Act
- Empowerment Zone Tax Extenders

# 2015 General Assembly Session



# Key Dates

- July 21, 2014 – *Prefiling of legislation began*
- October 28, 2014 – *Council's Adoption of 2015 Legislative Packages*
- November 18 & 19, 2014 – *House Appropriations Committee Retreat*
- November 20 & 21, 2014 – *Senate Finance Committee Retreat*
- December 8, 2014 – *Request for prefiled drafts ends*
- December 17, 2014 – ***Joint Money Committees meet with Governor McAuliffe***
- January 3, 2015 – *Commencement of the 114<sup>th</sup> U.S. Congress*
- January 14, 2015 – *General Assembly Session begins*
- January 28, 2015 – *Virginia Municipal League Day*
- February 28, 2015 – *Last Day of Session*

# Next Steps

- Finalize the City's 2015 State and Federal Legislative packages.
- Pre-Session meeting with Portsmouth State Delegation.
- Adoption of 2015 State and Federal Legislative Packages.

# Q&A