



*Fairfax County, VA
2015 Legislative
Program*

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2015 Fairfax County Legislative Program

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2015 Fairfax County Legislative Program

Fairfax County and the Commonwealth have long maintained a strong partnership in promoting economic development. The County has created a strong business climate, with a fair and competitive tax structure, excellent schools, an educated workforce, and services and amenities that attract new businesses every year. Both the Commonwealth and the County have benefited from this partnership.

Unfortunately, it has been the practice of the Commonwealth to significantly underfund core services, leaving localities to fill funding gaps with local revenues in order to maintain essential services. This poses a particular threat to economic development efforts, as state funding cuts in recent years, coupled with the impact the recession has had on local revenues, threaten to destroy the very attributes that draw and retain businesses. Without solutions that provide funding to keep pace with the growth of Virginia's economy, the state is at risk of slipping further in economic competitiveness.

The Commonwealth's partnership with localities is a key factor in maintaining that competitiveness. As the state now grapples with a new and substantial revenue shortfall, it is critically important that Virginia continue to invest the resources necessary to educate its citizens at all levels, ensure the rule of law, protect its natural resources, provide for the basic needs of the less fortunate, and build a sound infrastructure, in order to remain a competitive state and an attractive place for economic development. The critical state-local funding partnership must continue to be restored so that the Commonwealth can emerge from the current fiscal crisis even stronger, as an investment in Virginia will pay dividends for years to come.

Priorities

Funding Core Services

1.) K-12 Funding – Joint Position with the Fairfax County School Board

It is essential that the state fully meet its Constitutional responsibility to adequately fund K-12 education, including full funding for the biennial re-benchmark of Virginia's Standards of Quality (SOQ). *(Position on full restoration of Cost of Competing Adjustment (COCA) funding shared by region.)*

Critical gaps continue to widen between the SOQ, the funding for those standards, and the actual local costs of providing a high-quality education. Fairfax County and other Northern Virginia localities more than meet their responsibilities for K-12 education through large contributions to the state General Fund, strong local effort, and the effect of high local composite indices, which diverts state funding away from this region. Conversely, state funding for K-12 has declined significantly in recent years – in FY 2009, K-12 funding comprised over 35 percent of the state General Fund, but by FY 2014, investments in K-12 education had fallen to less than 30 percent of the General Fund. In fact, since FY 2009 Virginia has implemented sizable structural budget cuts to K-12, costing localities more than \$1.7 billion per biennium statewide.

The Boards strongly support:

- Realistic and fully-funded Standards of Quality which keep pace with ever-evolving accountability requirements within the Standards of Accreditation and the Standards of Learning;
- Recognition of cost of living variations throughout the Commonwealth in state funding formulas in order to more accurately determine a locality's true ability to pay, particularly for high cost of living areas;
- Restoration of full funding for Cost of Competing Adjustment (COCA), an additional factor used in the state K-12 funding formula, recognizing the higher salaries required in identified high cost of living and competitive wage market regions to attract and retain the highest quality instructional and support personnel;
- Appropriate recognition in state funding formulas of the increased costs required to serve children with higher level needs, including special education students (a category encompassing students with intellectual or physical disabilities as well as those with mental/behavioral health issues; costs are approximately 100 percent more than general education), those learning English as a second language (costs are approximately 30 percent more than general education), and those living in economically disadvantaged households (costs are approximately 10 percent more than general education); and,
- Increased state resources for early childhood education programs, which help young children enter kindergarten prepared to succeed.

Additionally, the Boards strongly oppose:

- State budget cuts that disproportionately target or affect Northern Virginia; and,
- Structural cuts or formula changes which further weaken the partnership between the state and localities.

Unfortunately, recent budget decisions by the General Assembly, like the elimination of COCA funding for support positions, exacerbate the stresses on the state-local K-12 partnership, by making permanent, structural cuts in state funding that localities expressly sought to avoid. The overall and cumulative effect of these structural changes continues to be felt by artificially lowering the state baseline for funding K-12 going forward.

Failure to adequately meet the needs of the youngest Virginians can create repercussions for individual families, the larger community, and the Commonwealth, while investments in early childhood and K-12

education can provide a foundation for learning and achievement, often reducing or eliminating the need for more costly interventions and remediation, and spurring the state's economic development. *(Revises and updates previous position.)*

2.) Transportation Funding

The Commonwealth should continue and build upon the successful enactment of significant, new transportation revenues by the 2013 General Assembly.

Statewide and regional funding generated by HB 2313 provides substantial new resources needed to begin addressing the transportation needs of Northern Virginia and the Commonwealth. While HB 2313 moves the Commonwealth in the right direction, transportation funding challenges remain.

- **Allocation of Statewide Revenues –**

- It is critical that Northern Virginia continue to receive its fair share of statewide revenues, as required by **HB 2313**. If any changes to the HB 2313 revenues are considered, alternative revenues must generate funds at least equal to those previously approved. Further, the new transportation funding created by HB 2313 should only be used for transportation purposes.
- The Commonwealth Transportation Board is authorized to provide up to \$500 million to projects before funds are provided to the construction fund. As a result, the secondary construction program will receive no significant new funds until after FY 2020. This is especially alarming as localities have not received funds for this program since FY 2010. Though the Secretary of Transportation is currently analyzing methods to provide assistance for local transportation projects, this \$500 million set-aside should be eliminated or modified at the very least, to ensure equitable distribution of funds to each region. In addition, consideration should be given to updating the highway funding allocation formulas to better reflect congestion relief and highway maintenance needs throughout the Commonwealth.
- **SB 1140** (2013) requires the implementation of new methodologies for transit funding. The County is concerned about changes made that go beyond the intent of the legislation – specifically, the County remains opposed to the Department of Rail and Public Transportation's decision to change the allocation of state funds for capital costs from the non-federal cost of a project to the total cost. As the Fairfax Connector and several other Northern Virginia systems do not receive federal funds, this change only increases the local share that Northern Virginia systems must pay while reducing the share for those systems in the Commonwealth that provide far less local funding.
- During the 2014 session, the General Assembly passed **HB 2**, which creates a new process for allocating statewide transportation funds. It is important that as this process moves forward, it includes significant local input. The County looks forward to providing input as this process is developed and is available to assist with these efforts. The new process will not be used until the Six-Year Program that begins on July 1, 2016. In the meantime, the Commonwealth should allow projects already in development to continue to move forward, as not doing so could significantly delay implementation of even those projects that are ultimately selected for funding through HB 2.

- **Transit Bond Funding – The Commonwealth should work to address the “bond cliff” issue to ensure that transit systems continue to receive the state resources needed to provide critical transit services.** In 2018, state transit funding is expected to decline by over 60 percent, when bond funds authorized in 2007 are expected to be depleted. *(Regional position.)*

- **Secondary and Local Road Conditions – The Commonwealth should make efforts to ensure that the maintenance needs of secondary and local roads are met.** HB 2313 has helped to reduce the maintenance backlog for roads in the Commonwealth. However, while pavement conditions on interstates and primary systems have improved, conditions for secondary roads continue to decline.

- **Transportation and Economic Success – The Commonwealth should provide funding assistance for the transportation needs of major employment centers, in order to lay the groundwork for economic success.** Fairfax County contains several major employment centers that generate public benefit for the County and the Commonwealth. For these centers, including areas such as Springfield, Seven Corners, and Reston, to remain successful and accommodate

predicted growth, they must transform into sustainable, transit-oriented, and walkable communities. That transformation has already begun in Tysons, where significant improvements in transit access have been made, but additional resources are needed to ensure that pedestrian, bicycle, and transit modes thrive and roadway congestion is addressed. The Board of Supervisors approved its Six-Year Transportation Project Priorities (TPP), which assumes significant funding from Fairfax County, as well as funding from regional and statewide sources. The projects in the TPP focus on making investments to strengthen the County's major employment centers, and it is important that the state and federal governments similarly recognize their importance by providing the funding needed to complete the transportation projects that have been identified in these areas.

- **Metro – The Commonwealth should continue to support Metro 2025.** The region is projected to continue to grow over the coming decades, placing more pressure on a Metro system already nearing capacity. To address this need, Metro developed a strategic plan that will guide decisions over the next 10 years and ensure that the system continues to support the region's competitiveness in the future. Metro proposes a number of initiatives called Metro 2025, including: enhancement of rush-hour capacity by upgrading to the use of all eight-car trains, resulting in the ability to move an additional 35,000 customers per hour; expansion of high-volume rail stations to ease congestion; and, completion of the bus Priority Corridor Network that includes a variety of improvements allowing buses to bypass traffic congestion. Additional resources are critical to ensuring the success of this effort, as WMATA prepares to purchase the train cars necessary for increased capacity needs. Further, improvements to the system's core capacity are needed before any future extensions can be considered. Continued state support of Metro 2025 will help keep Metro, Northern Virginia, and the Commonwealth moving forward. *(Regional position.)*

A modern, efficient, multimodal transportation system is essential to the Commonwealth, and is intrinsically tied to continued economic development and the ability to compete in a global economy. Fairfax County, along with localities throughout the state, continues to provide millions in local funds for transportation each year, and the County and the Commonwealth must continue to work together to ensure that our infrastructure needs are met. *(Revises and updates previous transportation funding position.)*

3.) State Budget

The Commonwealth should rebalance its resources and responsibilities so that the funding partnership with localities is restored, ensuring the delivery of critically needed services in communities throughout Virginia. State established standards for locally delivered services must be accompanied by state funding that is adequate to successfully provide those services, and accountability for successes and failures should be reciprocal, ensuring both the state and localities accept responsibility commensurate with their respective roles.

The depth and breadth of state cuts to localities in recent years has severely stressed the state-local funding partnership. State aid to localities decreased by approximately \$1 billion since FY 2009, including a five-year period in which the Commonwealth required localities to return funds to the state in order to help balance the state's budget – essentially creating a new reverse concept of “local aid to the Commonwealth,” which translated into more than \$20 million in state funding cuts to Fairfax County. Towards the end of FY 2014, a combination of factors led to a massive state revenue shortfall of approximately \$2.4 billion for the 2014-2016 biennium; amendments to the 2014-2016 biennium budget adopted towards the end of 2014 reinstate local aid to the Commonwealth, requiring \$30 million per year in funding reductions to localities, in order to assist the state in bridging that revenue shortfall. Additionally, since FY 2009 Virginia has implemented sizable structural budget cuts to K-12, costing localities more than \$1.7 billion per biennium statewide. Significant concern remains about the potential effects of additional future cuts.

While direct aid to localities was 52 percent of the General Fund (GF) in FY 2009, it only accounted for 44 percent of the General Fund in FY 2014. And K-12, the most critical core service shared by the state and localities, has dropped from 35 percent of the General Fund in FY 2009 to less than 30 percent in FY 2014. The allocation of resources is, in fact, a way of prioritizing areas of critical importance for the state. If core services and shared state-local programs are not at the top of that list, the pro-business environment Virginia has become known for will be jeopardized.

In addition to the two County priorities of K-12 and Transportation, action should be taken at the 2015 General Assembly on the following budget items:

- Full restoration of Cost of Competing Adjustment (COCA) funding for K-12 support positions in the 2014-2016 biennium budget. (see also page 3) (*Regional position.*)
- Restoration, or at a minimum level funding, for HB 599 law enforcement funding. (see also page 9)
- Provision of sufficient state funding for services to individuals leaving the Northern Virginia Training Center, ensuring the Commonwealth fulfills its responsibility to implement the federal settlement agreement. (see also page 11)
- Restoration of funding for human services programs, which serve the most vulnerable Virginians. (see also the Human Services Issue Paper)

Regrettably, a national report indicates that, during the recent national recession, only a handful of state governments cut more funds to local governments and school districts than did Virginia. Though the Commonwealth's budget shortfall was the 20th largest in the nation, the state funding cut to localities was third highest among states. Essentially, Virginia has relied on cuts to localities and school divisions to a greater extent than most other states. As the state seeks to bridge the substantial 2014-2016 biennium budget funding shortfall, it must avoid further structural cuts or changes to funding formulas for locally delivered programs and services; rather, the Commonwealth should focus on one-time funding reductions where needed, to ensure that core services are not adversely affected for years to come. (*Revises and updates previous position.*)

Governance

A strong state and local partnership is essential to Virginia's success and the ability of both levels of government to respond to the needs of their residents. As the form of government closest to the people, local government must be provided the flexibility to serve the needs of residents, which can vary greatly from one part of the Commonwealth to another.

4.) Local Authority

Existing local government authority should be preserved, particularly in such key areas as taxation and land use, and the protection of public health, safety, and welfare, where local governments must have sufficient authority to govern effectively. Further, local authority should be enhanced to provide localities more flexibility in the administration of local government, as appropriate community solutions differ significantly from one area of the state to another. Finally, local government representatives should be included on all commissions or other bodies established by the state for the purpose of changing or reviewing local revenue authority or governance.

The local tax structure, which has become outdated and over-reliant on property taxes, must be modernized. Local government revenues must be diversified, including the provision of equal taxing authority for counties and cities, without state mandated restrictions on use, or caps on capacity. Where possible, the state should consider updating state and local taxes to reflect changes in the economy or technology; avoid any expansion of revenue-sharing mechanisms controlled by the state; avoid any new state mandates while fully funding and/or reducing current requirements; avoid any diminution of current local taxing authority (including BPOL and machinery and tools taxes) and lessen restrictions currently imposed on local revenues; or lessen current restrictions on the use of state funds now provided to localities for shared responsibilities.

Local land use authority must also be preserved. Local government is the level of government best suited to equitably and effectively deal with local land use issues, ensuring orderly and balanced growth and redevelopment with direct public participation and accountability in this critical process. Further restrictions on

local use of eminent domain, in addition to the 2013 amendment to the Virginia Constitution, are unnecessary; Fairfax County has been extremely judicious and wholly appropriate in its very selective use of condemnation. Moreover, additional legislation in this area should be avoided while courts adjudicate this recent constitutional change to what was a long-settled area of law.

Each level of government has unique strengths. However, as a Dillon Rule state, local governments in Virginia are significantly restricted in their authority, which impedes the ability of localities to react quickly and efficiently to emerging problems. In many instances, an overemphasis on statewide uniformity does not adequately consider the particular issues experienced in growing and urbanizing localities in Northern Virginia, limiting the ability of local governments to respond to community standards and priorities. (Consumer protection is an example of an area in which local government is often better equipped to address local concerns.) At a minimum, the state should empower localities to solve their own problems, by providing increased authority or discretion for services that have no compelling priority or impact for the Commonwealth, thus eliminating the need to seek permission for ministerial matters from the General Assembly each year. Additionally, reinstatement of the requirement that all bills with a local fiscal impact be filed by the first day of the General Assembly session would be an important step in signaling the GA's willingness to recognize local fiscal concerns as new legislation is considered, by allowing localities the maximum time possible to highlight potential impacts. Furthermore, local governments must be included as full participants on any state commissions and study committees examining local issues, allowing for a more complete assessment of such issues and reflecting the governing partnership that must exist between the state and localities to ensure the effective administration of government. *(Updates and reaffirms previous position.)*

Position Statements

Environment

Global Climate Change/Environmental Sustainability Initiatives

Support efforts to reduce the County's greenhouse gas emissions and operational demand for energy through efficiency, conservation, and education. The basis for these efforts is Fairfax County's strategic direction and commitment to achieve environmental and energy goals, including those set forth in the Board's 2004 Environmental Agenda, the 2009 Energy Policy, and the County's Comprehensive Plan.

Support funding of renewable energy grant programs and incentives to assist the development and growth of energy businesses and technologies. Support renewable distributed energy generation and opportunities for consumers to purchase or generate renewable energy, including expanding the availability of net metering programs.

Support legislation which would provide state income tax incentives for businesses or residents to defray a portion of the cost of new construction or improvements which save energy and mitigate adverse environmental impacts. *(Updates and reaffirms previous positions.)*

Support legislation clarifying that third-party power purchase agreements (PPAs) for renewable energy are legal within the established limits for net metering customers of investor-owned utilities. PPAs can facilitate the adoption of renewable energy by homeowners and other energy consumers by reducing the up-front costs, thus assisting in reducing greenhouse gas emissions and other forms of pollution. *(Reaffirms previous position. Legislation passed in 2013 to authorize a limited pilot program for such arrangements; the State Corporation Commission is in the process of implementing this program.)*

Land Conservation

Support the Governor's goal to preserve 400,000 acres of open space and working lands statewide. Additionally, continue to support prioritizing the Virginia Land Preservation Tax Credit to encourage the preservation of land for public use. In addition to other benefits, the preservation of open space contributes to watershed protection, an important issue as the state works to reduce nutrient pollution in the Chesapeake Bay. *(Updates and reaffirms previous position.)*

Reducing Environmental Contamination from Plastic and Paper Bags

Support legislation or other efforts which would encourage the use of reusable shopping bags, consistent with the County's waste reduction goals and environmental stewardship efforts. As in previous sessions, it is anticipated that legislation to ban plastic bags or impose a fee for their use may be introduced again in 2015. Such legislation would need to be examined by the County for efficacy, cost, and ease of administration. *(Updates and reaffirms previous position.)*

Funding

Economic Development

Support a strong partnership between the Commonwealth and the County as Virginia's economy adapts to a changing fiscal landscape. Virginia has historically been among the top states in the nation in per capita federal spending, and both the state and the County have benefited from significant federal investments in military and civilian employment, along with associated contracting industries. However, the effects of federal budget cuts and sequestration have had a negative impact on County and state revenues, as high-paying professional and contracting jobs have been replaced by lower-paying jobs in the service sector. In the short term, state support for the World Police and Fire Games, which will be hosted by the County in July 2015, will

pay significant dividends for the County and the Commonwealth, providing both international exposure and increased tax revenues. In the long term, a multi-faceted approach will be needed to position the County for future growth, including investments to:

- Ensure a workforce equipped for emerging, high-growth industries;
- Diversify the local economy by attracting new industries to Fairfax County, while continuing to support businesses already located in the County;
- Protect existing federal facilities within the County; and,
- Maintain an environment conducive to recruiting additional federal installations. *(New position.)*

Libraries

Support increased state aid to public libraries, which provide communities with critical services such as student homework support, research assistance, and public internet access. More than 5.2 million visits were made to Fairfax County public libraries in FY 2013, with over 13 million items borrowed. State aid to libraries declined significantly during the recent recession; at a minimum, the state should avoid further reductions in aid. *(New position.)*

Public Safety/Courts Funding

Public safety is a core service for the Commonwealth, as it is for localities. Protecting the Commonwealth's residents and ensuring the successful operation of all aspects of the justice system requires appropriate state funding for this state-local partnership, including law enforcement, the courts, and jails/corrections. Continued and substantial state cuts in recent years, in addition to the underfunding that already exists, have placed an increased burden on localities to fund these state responsibilities. To that end, Fairfax County supports reversing this trend through adequate state funding for the following:

- **HB 599** – **The Commonwealth should restore, or at a minimum maintain, HB 599 law enforcement funding.** This critical funding, provided to localities with police departments, is a priority for localities throughout the Commonwealth. Approximately 65 percent of all Virginians currently depend on local police departments for public safety services. This program strives to equalize state funding between cities, counties, and towns with police departments and localities in which the sheriff provides law enforcement. If state funding had increased with state revenues, as is required, Fairfax County would have received approximately \$21 million in additional funding over the past five years. *(Updates and reaffirms longstanding Board position.)*
- **Jails** – **The Commonwealth should adequately compensate localities at a level which is commensurate with the state's responsibility for local jail operations.** Local governments in Virginia have historically borne a disproportionate burden of supporting jail confinement costs, as a result of significant underfunding by the Commonwealth. *(Reaffirms previous position.)*
- **Courts** – **The Commonwealth should adequately fund Virginia's courts, to ensure a well-functioning judicial branch.** The overall underfunding of Virginia's court system continues to place additional burdens on localities and the judicial system. Providing sufficient funding for the salaries of court personnel, including clerks, magistrates, Commonwealth's Attorneys, public defenders, district court employees, and probation office employees, among others, is a critical state responsibility. *(Revises and reaffirms previous position. Follow-up on the implementation of the November 2013 Virginia Judicial Workload Assessment Report by the National Center for State Courts to assess more accurately the added weight to be given in cases requiring the use of interpreters is due to be completed November 1, 2015.)*

Water Quality Funding

Support budget action at the 2015 General Assembly to ensure adequate state appropriations to the Water Quality Improvement Fund to make full and timely payments under point source upgrade contracts with local governments; also support continuation of and increased funding to the Stormwater Local Assistance Fund (SLAF).

Fairfax County and local governments throughout Virginia face mounting costs for water quality improvements for sewage treatment plants, urban stormwater, combined sewer overflows (CSOs), and sanitary sewer

overflows (SSOs). The state has made significant progress in providing funding in recent years, including deposits to the WQIF of surplus funds and the establishment and funding of the SLAF (\$28 million in matching grant funds was allocated for SLAF in 2014). However, in order to meet federal Chesapeake Bay requirements, additional state assistance for urban stormwater needs will be required (the Senate Finance Committee estimates these costs to be between \$9.4 billion and \$11.5 billion by 2025), while additional funding will likely also be needed for wastewater treatment plant upgrades in the Chesapeake Bay watershed. The state must partner with localities in order to meet these federal mandates to ensure the success of this effort, and such funding must continue to increase if Virginia is to meet its commitments for the Chesapeake Bay. *(Updates and reaffirms previous position.)*

General Laws

Elections

Support legislation to promote participation in elections, including allowing any registered voter to vote absentee without requiring that the voter state a reason (“no-excuse” absentee voting), and providing for extended polling hours statewide to allow voters additional time to reach polling places. Legislation intended to enhance security regarding elections must be carefully analyzed to ensure that it strikes a balance between maintaining the integrity of elections while not discouraging the exercise of the franchise. The effects of recently-enacted voter ID legislation should be examined for potentially harmful consequences before further legislation in this area is introduced. Similarly, reactions at the state and federal levels to the recent Supreme Court decision striking down Section IV of the Voting Rights Act, which eliminated the requirement that changes to Virginia’s election laws be “pre-cleared,” should be closely monitored. Monitor consideration of an option for local governments to extend polling hours in the case of an emergency. Support greater state financial support for election administration. *(Reaffirms previous position.)*

Sexual Orientation

Support legislation to permit the County, as an urban county executive form of government, to prohibit discrimination in the areas of housing, real estate transactions, employment, public accommodations, credit, and education on the basis of sexual orientation. Fairfax County has already taken actions pursuant to existing state enabling legislation in the preceding areas on the basis of race, color, religion, sex, pregnancy, childbirth, and disability. *(Reaffirms previous position.)*

Health

Alternative On-Site Sewage Systems (AOSS)

Support legislation that would require sellers of residential property to directly disclose to prospective purchasers that an AOSS is on the property and that the system will have to be operated and maintained in accordance with applicable standards and requirements. Support legislation that would provide localities with additional tools to ensure adequate reporting of periodic private-sector inspections and that would allow localities to abate or remedy violations of laws regarding the operation and/or maintenance of such systems. Oppose legislation that would further restrict local government authority to regulate the installation of such systems within the locality, including but not limited to authority to ensure installation according to approved designs and development plans, establish minimum setback distances and installation depths, and prohibit such systems within or near wetlands and other environmentally sensitive areas, unless such systems are approved by the Virginia Department of Health for use in the particular circumstances and conditions in which the proposed system is to be operating. *(Revises and updates previous position to reflect proposals currently under consideration by the Virginia Department of Health and a work group of stakeholders.)*

Lyme Disease

Support funding initiatives that will advance research, surveillance, reporting, diagnostics, and treatment for Lyme disease, as recommended by the Lyme Disease Task Force convened in 2011 by the Governor and the Secretary of Health and Human Resources. Cases of Lyme disease have been on the rise in Virginia, with 805 confirmed and 305 probable cases reported to the Centers for Disease Control and Prevention in 2012. *(Updates and reaffirms previous position.)*

Human Services

Early Intervention Services for Infants and Toddlers with Disabilities/Part C

Support sustainable funding and infrastructure for Part C Early Intervention, which is a state/federal entitlement program that provides services for Virginia's infants and toddlers. In order to address immediate concerns, support increasing funding by \$2 million GF in FY 2015 and \$2.3 million GF in FY 2016 to support growth in services to children who do not qualify for Medicaid. Additionally, approximately \$2 million GF is needed to increase rates and align them with actual costs (from \$132 per month to \$175 per month) for the Medicaid Early Intervention Targeted Case Management Program, which provides early intervention services for children eligible for Medicaid.

The Commonwealth of Virginia has long contracted with the Fairfax-Falls Church Community Services Board (CSB) to provide Early Intervention therapeutic services for infants and toddlers with developmental delays in areas such as speech, eating, learning, and movement. The CSB, which is the Local Lead Agency for Fairfax County as part of the state's compliance with the federal Individuals with Disabilities Education Act (IDEA) Part C grant, provides services through the Infant and Toddler Connection (ITC) program. ITC is funded through a combination of federal, state, local, and insurance sources.

As the benefits of early intervention have become more widely known throughout the nation, the average monthly number of children seeking and/or receiving ITC services has grown by more than 50 percent – from 909 per month in FY 2010 to 1,380 per month in FY 2014. It is anticipated that demand for ITC will continue to grow at an average rate of six to eight percent annually. A significant funding shortfall has resulted from the increased demand and costs of services. Although the 2013 General Assembly provided an additional \$2.3 million in FY 2013 and \$6 million in FY 2014 statewide, this program was level funded at the FY 2014 level for FY 2015 and FY 2016, in spite of rising service needs. Increased funding will continue to be necessary to keep pace with the demand for this critical program. *(Revises and reaffirms previous position.)*

Funding – Northern Virginia Training Center (NVTC)

Support additional state funding for community placements, including critically-needed housing, for individuals leaving the Northern Virginia Training Center. Also support additional state funding for increased Medicaid waiver rates to support those placements, to ensure the Commonwealth fulfills its responsibility to implement the federal settlement agreement.

As a result of a state decision following the settlement agreement negotiated with the U. S. Department of Justice, the Commonwealth will be closing four of the state's five training centers, which provide residential treatment for individuals with intellectual and developmental disabilities. Ensuring the creation of sufficient and appropriate housing for individuals leaving the training center must be a top priority for the Commonwealth, and is essential to the implementation of this agreement.

Community Services Boards (CSBs) are responsible for transitioning all persons at training centers into community-based residential and day support services operated by the CSB, private non-profit, or for-profit providers based on funds available as well as the choices of those being discharged to the community. Unfortunately, residential, employment, and day support in the region is already at capacity and expansion has been impeded by high real estate and service delivery costs paired with insufficient waiver rates. Although there has been some expansion, it is not sufficient to serve all the individuals who wish to remain in Northern Virginia by the scheduled closing of NVTC (as of November 5, 2014, 73 individuals from Fairfax County reside in training centers, primarily at NVTC).

In 2013, the Commonwealth established bridge funds for individuals leaving NVTC, intended to provide temporary financial support for services that will eventually be funded through new Medicaid waivers, which are currently being developed. Additionally, the Commonwealth has received federal approval for exceptional rates for congregate residential services for individuals with complex needs, but additional guidance remains under development. This uncertainty has created difficulty for providers and the CSB in seeking to prepare for the eventual release of NVTC residents.

Recognizing that existing capacity in community-based services is not yet adequate to accommodate the closure of NVTC, the state elected to delay closure of the facility until March 2016. In order to make that delay effective, state efforts to increase community-based services must be accelerated and expanded. It is estimated that approximately \$7.7 million in state start-up funding will be needed in Northern Virginia to expand community-based residential placements and day support services, including the creation of 14 new community Intermediate Care Facilities (ICF) and 20 Intellectual Disability (ID) waiver homes.

In addition to creating this expanded capacity, the current Medicaid ID waiver reimbursement rates will need to increase to ensure sufficient, quality services, comparable to the services currently provided by training centers. It is estimated that additional state funding of approximately \$10.1 million per year will be needed to operate these services. NVTC is an intermediate care facility (ICF) which has provided cost-based reimbursement for community services. Fairfax County has long supported increasing Medicaid waiver rates for all recipients, which allow Medicaid reimbursement for services provided in the home and community for people with intellectual and developmental disabilities, among others. However, meeting the unique conditions of those transitioning from NVTC requires both increasing and restructuring some existing waiver rates, and should be an essential component of any state solution. Waiver rates are currently well below the cost of providing necessary services, and do not provide sufficient flexibility to meet the needs of the NVTC population. Support changes to waivers that would:

- Increase the Northern Virginia differential from 15 percent to 20 percent, reflecting the higher cost of living and services in this area;
- Increase congregate waiver rates to compensate a sustainable, well-trained workforce and service support model;
- Establish higher rates to address the needs of individuals with high, complex, and intense needs for support, including employment and day services;
- Increase reimbursement rates to enable the hiring of professional nurses;
- Enhance or reconfigure waiver services to fully reimburse nursing and behavioral supports;
- Restructure billing units to allow sufficient reimbursement for the provision of appropriate and adequate services; and,
- Include appropriate levels of funding to create a range of community residential arrangements and infrastructure.

Successfully implementing the Department of Justice settlement is the Commonwealth's responsibility and obligation. Sufficient and timely state funding for the NVTC population is an essential component of that effort. *(Updates and reaffirms previous position.)*

Medicaid Eligibility and Access to Care

Support increasing Medicaid eligibility in Virginia to 138 percent of the federal poverty level, as envisioned by the federal health care reform law, ensuring critical health coverage for some of the most vulnerable Virginians.

Virginia's Medicaid program provides access to health care services for people in particular categories (low-income children and parents, pregnant women, older adults, and persons with disabilities). Costs are shared between the federal government and the states, and states are permitted to set their own income and asset eligibility criteria within federal guidelines. Virginia's current eligibility requirements are so strict that although it is the 12th largest state in terms of population and 10th in per capita personal income, Virginia ranked 44th in Medicaid enrollment as a proportion of the state's population and 46th in per capita Medicaid spending.

The national recession has placed additional pressures on Medicaid, resulting in more Americans being eligible for this essential program, and the Commonwealth faces a critical decision, as it considers again whether or not to pursue the Medicaid expansion included in the federal health care reform law, along with the sizable federal funding provided for those newly eligible enrollees. During the 2014 session, a compromise proposal was offered to utilize the additional federal funding that would be available under Medicaid expansion to subsidize insurance premiums for low-income Virginians purchasing private insurance. A subsequent proposal, considered during the 2014 special session, would have created a framework for the use of the additional federal dollars to assist low-income Virginians with the employee's share of employer-sponsored insurance, or to subsidize premiums for the plans included in the federally-managed health insurance exchanges. The failure of both proposals leaves the question of Medicaid expansion in doubt in Virginia; however, it is important to note that expansion would provide coverage to as many as 248,000 Virginians, including 27,000 individuals in Fairfax County. Newly eligible individuals would include low-income adults (individuals earning less than \$16,104 per year or families earning less than \$32,913 per year), low-income children who lose Medicaid when they turn 19, and adults with disabilities not eligible for Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI).

It is clear at this time that the cost to the Commonwealth will be minimal in the first few years, while the savings in indigent and uncompensated care could be significant. Additionally, increasing less expensive preventative care and reducing more expensive emergency care could improve the overall health of residents of the Commonwealth, while slowing the growth in insurance premiums and reducing the "hidden tax" currently borne by all Virginians. As a result, Fairfax County supports increasing Medicaid eligibility in Virginia to 138 percent of the federal poverty level, as envisioned in the federal health care reform law, ensuring critical health coverage for some of the most vulnerable Virginians.

Oppose actions that shift Medicaid costs to localities, such as through Medicaid service funding reductions, changes to eligibility that shrink access, or other rule changes that erode the social safety net.

Irrespective of Virginia's decision on the Medicaid expansion, or of any other federal funding cuts or reductions in federal requirements which may be considered by Congress, it is essential that the Commonwealth avoid taking actions that effectively shift costs to localities. Due to the increasingly critical shortage of private providers, poor reimbursement rates, and other factors that play a role in an overall increase in Medicaid program costs, ensuring success with any cost containment strategies will require close cooperation between the Commonwealth and local governments, as localities are frequently the service providers for the Medicaid population. In particular, information technology initiatives to improve program administration should be coordinated with local program administrators. Fairfax County supports cost containment measures that utilize innovation, increase efficiency and targeted service delivery, and use of technology to reduce Medicaid fraud, in order to ensure the best allocation of resources without reducing services or access to care. Decisions made regarding other aspects of the Affordable Care Act should be carefully considered to avoid unintentionally increasing the number of uninsured Virginians by limiting the types of acceptable private plans, potentially increasing pressure on the social safety net. *(Revises and reaffirms previous position.)*

Land Use

Proffers

Existing local authority to accept cash and in-kind proffers from developers must be retained without restrictions to assist localities in providing the capital facilities and infrastructure needed to serve new development, and to maintain local community standards that keep and improve the quality of life, and encourage and spur economic development. Any proposal for replacing such proffer commitments with development impact fees must be at the option of each locality. *(Reaffirms previous position.)*

Public Safety

Accessibility

Support ensuring the inclusion of people with disabilities throughout the Commonwealth by increasing accessibility to public places and housing.

According to the U.S. Census Bureau's 2013 American Community Survey, approximately 74,000 Fairfax County residents have a disability, which includes people with hearing, vision, cognitive, ambulatory, self-care, and/or independent living difficulties. While significant progress has been made toward ensuring the equality and inclusion of people with disabilities since the passage of the Americans with Disabilities Act (ADA), continued advancement is needed. Fairfax County supports access for people with disabilities and older adults in public and private facilities; in particular, the County supports increasing accessibility through incentives, voluntary standards for accessible housing and educational outreach to businesses, building officials, advocacy groups, and the Commonwealth.

The lack of affordable, accessible, integrated housing is a major barrier facing older adults and people with disabilities throughout the Commonwealth. Innovative options to help ensure that older adults and people with disabilities can stay in their homes include increasing the accessible housing stock in newly constructed multi-family housing (encompassing apartment buildings, condos, and assisted living housing, among others); expanding the Rental Choice Virginia demonstration grant to cover more people; raising the maximum annual allotment of the Livable Homes Tax Credit; and, establishing a comparable grant to help pay for much-needed home modifications. Improved accessibility in public buildings, housing, transportation, and employment benefits all Virginians, by allowing people with disabilities to remain active, contributing members of their communities, while retaining their independence and proximity to family and friends. *(Updates and reaffirms previous position.)*

Dangerous Weapons in Public Facilities

Support legislation to allow local governments to prohibit the possession of dangerous weapons in or on any facility or property owned or leased by the locality, with certain exceptions, including any person who has been issued a permit to carry a concealed handgun. Violation of such an ordinance would be punishable as a misdemeanor. It is particularly important that the County have such authority for any facility or property owned or leased by the County serving large populations of youth under the age of 18. Current law permits private property owners to decide whether or not to permit dangerous weapons on their property. *(Reaffirms previous position.)*

Pneumatic Guns

Support legislation that would authorize a locality to adopt an ordinance that would ban the possession of pneumatic guns on school grounds, with an exemption for persons participating in school-sponsored activities. Pneumatic guns, particularly those fired by pump action or carbon dioxide gas cartridges, are capable of muzzle velocities that can result in skin or ocular penetration. A particular concern of County law enforcement is that modern pneumatic guns often strongly resemble firearms. Given the potential for injury caused by these guns, legislation which would allow localities to ban their possession on school property would provide important protection. The General Assembly has already banned the possession of a long list of weapons on school grounds, thus recognizing that schools should be a "safe zone." *(Reaffirms previous position, which was previously included as an initiative. The County's 2012 bill on this subject passed the Senate, but failed in a House subcommittee.)*

Taxation

Communications Sales and Use Tax

Support legislation to protect the financial interests of local governments based upon declining revenues in the communications sales and use tax. After lengthy negotiations, the 2007 General Assembly repealed many local telecommunications taxes and replaced them with a statewide communications tax. The expectation at that time was that the new communications tax would grow and localities would, at a minimum, receive the same amount of funding as they received in FY 2006 (\$85.5 million for Fairfax County). However, this tax has eroded and in FY 2014, the County only received approximately \$79 million. Consequently, any consideration of formula changes must be avoided until and unless communications tax revenues increase sufficiently to ensure revenue neutrality for localities, as agreed upon when this compromise was reached. Additionally, changes in market area, customers served, new technologies, and perhaps the rate itself must be examined to ensure a modern communications tax system for localities, which reflects and reacts to an ever-changing landscape. *(Reinstates and updates position included in previous Programs.)*

Transportation

Secondary Road Devolution

Oppose any legislation that would require the transfer of secondary road construction and maintenance responsibilities to counties, especially if these efforts are not accompanied with corresponding revenue enhancements. While there are insufficient resources to adequately meet the maintenance and improvement needs of secondary roads within the Commonwealth, the solution to this problem is not to simply transfer these responsibilities to local governments that have neither the resources nor the expertise to fulfill them. Further, oppose any legislative or regulatory moratorium on the transfer of newly constructed secondary roads to VDOT for the purposes of ongoing maintenance. *(Reaffirms previous position.)*

Pedestrian and Transit Safety

Safe access to transit facilities can be improved through infrastructure investments and better traffic safety laws. With the opening of the Silver Line, along with significantly increased Fairfax Connector service and more concentrated growth, more residents and workers in the County are choosing to walk and use transit. Fairfax County supports revisions to Virginia's existing pedestrian law that clarify the responsibilities of both drivers and pedestrians, in order to reduce the number of pedestrian injuries and fatalities that occur each year. In particular, support legislation that would require motorists to stop for pedestrians in crosswalks at unsignalized intersections on roads where the speed is 35 mph or less, and at unsignalized crosswalks in front of schools. *(Reinstates and updates position included in previous Programs.)*

FAIRFAX COUNTY

2015 Budget Fact Sheet

State General Fund

46% of the state General Fund (GF) provides aid to localities in FY 2014 (down from 52% in FY 2009).

32% of the GF will provide funding for K-12 in FY 2014 (down from 35% in FY 2009).

GF tax changes over the last two decades have more than neutralized 2004 tax increase:

- 2004 tax reforms raised about \$1.6 billion per biennium in new revenue
- Since 1994, nearly \$3 billion per biennium in state tax cuts and GF revenue reductions.

State Budget Cuts

Virginia ranks 10th nationwide in per capita personal income, but 46th in state and local revenue as a percentage of personal income, making Virginia a wealthy, low-tax state.

Virginia relies more on local taxes and revenues for funding government services than most other states.

In 2009, the General Assembly (GA) began requiring localities to return funds to the state to help close the state budget shortfall – essentially requiring “local aid to the Commonwealth.” Between FY 2009 and FY 2014, this action cost the County over \$20 million in state cuts. This practice has been restored for FY 2015 and FY 2016, and will cost the County an additional \$2.3 million each year.

Virginia ranks 39th nationwide in state per pupil funding.

Since the 2008 GA session, the state has adopted permanent, structural cuts to K-12 totaling over \$1.7 billion per biennium statewide.

State K-12 spending per pupil has fallen from approximately \$5,274 in FY 2009 to approximately \$4,862 in FY 2014, while it costs FCPS over \$13,000 per pupil. Virginia localities now spend \$3 billion more per year than required to match state K-12 funding.

Cuts to the Cost of Competing Adjustment (COCA) for K-12 support personnel in Northern Virginia resulted in a loss of \$10.2 million to Fairfax County over the FY 2012-2014 biennium. In 2014, COCA for support personnel was eliminated for FY 2014-2016. FCPS would receive \$12.8 million per year in FY 2015 and FY 2016 if COCA were fully funded.

Fairfax County/Regional Impacts

NOVA comprises 28% of the state population, generates 43% of state individual income tax revenues, and receives 21% of state GF appropriations.

State funding to Fairfax County (not FCPS) has been cut over \$40 million since FY 2009 (including the planned reductions in aid to localities for FY 2015 and FY 2016).

Nearly 71% of the FCPS budget is funded by Fairfax County (the average district receives about half from its local government).

FCPS receives approximately 23% of its budget from the state (including sales tax). The average funding share is 45%, due to the local composite index.

85.6% of the FCPS budget is for direct costs associated with providing instructional programs.

28.2% of FCPS students (52,654 students) qualify for free or reduced lunch.

BPOL

Of approximately 41,000 businesses in the County that pay BPOL tax, 40% pay a flat tax averaging \$38, and 28% pay an average of approximately \$552.

If Fairfax County's BPOL tax was eliminated, the real estate tax rate would have to be raised by approximately 7 cents, or about \$350 per year for the average household, in order to replace the funding.

**Data is drawn from Fiscal Analytics and Fairfax County resources.*

FAIRFAX COUNTY

2015 Transportation Fact Sheet

Transportation Conditions

- Only 31% of secondary roads in Fairfax County have pavement in fair or better condition. This is 29% lower than the statewide average of 60%, and far short of VDOT's target of 82%. While the County's interstates and primary roads have improved from previous years, there are still significant unmet roadway maintenance needs in Fairfax County.
- According to the Texas Transportation Institute (TTI), delays endured by the average commuter in the Northern Virginia and the Washington Metropolitan Region in 2011 were 67 hours, 29 hours more than the national average and worst among the nation's 439 urban areas. The average commuter wasted about 32 gallons of fuel in 2011 due to congestion, also ranking the region as the worst in the nation.
- Transit agencies provide over 156 million passenger trips in Northern Virginia on bus and rail annually (a 22% increase in the past decade). Approximately three-quarters of transit trips in the Commonwealth are in Northern Virginia, and the TTI has found that the Washington, D.C. region's investments in transit have saved \$711 million annually in reduced fuel use and delay in traffic.
- In 2012, Fairfax County reported \$3 billion in unmet transportation needs over the next 10 years; due to the passage of HB 2313 and the County's Tysons Funding Plan, that deficit has been reduced to \$790 million.

The Current Situation

- HB 2313 (2013) provides approximately \$300 million in annual regional transportation revenues, which is a significant step in addressing the estimated \$950 million annual transportation revenue shortfall calculated by the Northern Virginia Transportation Authority.
- In 2013, the County began developing a cost/benefit analysis to be used as one of the factors in its project selection process. It also initiated a Countywide Dialogue on Transportation (CDOT) to seek community feedback. This effort included public meetings, presentations by request, interactive mapping, and an online survey. The information gathered was used to assist the Board of Supervisors in adopting a priority project list for the County.
- The County continues to work to improve and streamline project delivery, including coordinating between County departments and with outside agencies, including VDOT, and eliminating or reducing steps in the process. It is essential that Fairfax County, the Commonwealth, and other regional entities work together to implement projects with the new funds to ensure the County is addressing residents' needs as quickly as possible.

Sample Project Costs

• Traffic Signal Upgrade:	\$ 300,000	• Road Widening Project:	\$ 135 million
• Major Interchange:	\$ 160 million	• Multi-modal Transit Center:	\$ 70 million
• Intersection Improvement:	\$ 5 million	• Metrorail Car:	\$ 2.2 million
• Roadway Extension:	\$ 30 million	• Transit Bus:	\$ 500,000

HB 2313 has provided significant resources to improve the County's transportation system. Efficient project implementation will be important to ensure these revenues are used wisely. In the future, additional investments will be necessary to ensure a modern, efficient, multimodal transportation system. This is essential to the Commonwealth and is intrinsically tied to continued economic success and the ability to compete in a global economy. Fairfax County, along with localities throughout the state, continues to provide millions in local funds for transportation each year, and the County and the Commonwealth must continue to work together to ensure that infrastructure needs are met.