

**LOUDOUN COUNTY  
2008  
LEGISLATIVE PROGRAM**



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## STATE FUNDING ISSUES

- **COMPREHENSIVE SERVICES ACT**

### **POSITIONS:**

**Oppose a change in the State funding support for the Comprehensive Services Act, which would mandate that some localities increase the local match above the current cap of 45%. (Board vote on September 6, 2005; 9-0; Board vote on January 3, 2008; 9-0)**

**Support the State maintaining the sum-sufficiency-provisions in Code of Virginia, § 2.1-757C relating to the General Assembly's obligation to fund special education and foster care services and to meet relevant federal mandates for the provision of these services. (Board vote on September 6, 2005; 9-0; Board vote on January 3, 2008; 9-0)**

**Support adequate State funding to cover both mandated and court-ordered non-mandated placement of children and to cover local costs for administering the Comprehensive Services Act. (Board vote on September 6, 2005; 9-0; Board vote on January 3, 2008; 9-0)**

**Support legislation to include educational services to children in Medicaid-funded residential treatment as a Medicaid-reimbursable service. (Board vote on September 6, 2005; 9-0; Board vote on January 3, 2008; 9-0)**

**Support the position that legislation requiring all CSA providers to become Medicaid providers should only be considered after a thorough study of the impacts of a mandated Medicaid provider system is conducted. (Board vote on September 6, 2005; 9-0; Board vote on January 3, 2008; 9-0)**

**Support the position and legislation that State CSA and Social Services Code relating to foster care should be congruent with Federal law in order to maximize federal revenue and support fair and equitable access to necessary services. (Board vote on January 3, 2008; 9-0)**

**Support the position and legislation that increases funding for children's mental health services. (Board vote on January 3, 2008; 9-0)**

**Support the position and legislation that existing legal protections for children in out-of-home care be maintained. (Board vote on January 3, 2008; 9-0)**

**Support the position and legislation that localities should maintain authority to manage their own child welfare services. (Board vote on January 3, 2008; 9-0)**

## **BACKGROUND:**

The Comprehensive Services Act (CSA) for At-Risk Youth and Families was enacted in 1992 and went into effect on July 1, 1993. It combined eight streams of State funding serving these at-risk youth with the commitment that no locality would have to provide greater than a 45% local match. Services were previously provided separately through the Courts, schools, mental health and mental retardation, social services and youth and family departments.

The overall responsibility of managing and developing policies for the CSA program is given to a locally appointed Community Policy Management Team (CPMT). The CPMT coordinates inter-agency efforts, manages available funds and see that those eligible children and families in need receive help and is a joint project of the Departments of Family Services, Mental Health/Mental Retardation/Substance Abuse Services, Financial Services, Management Services, Health Department, Juvenile Court Services Unit, the Public School System, private community service providers and parents. The CSA focuses on youths in or at risk of entering private out-of-home placements and those with severe emotional or behavioral disturbances. CSA also funds services to prevent foster care placement, and to maintain youths in the least restrictive educational placement

## **ISSUES:**

Since most CSA expenditures are necessary to support state and federal mandates, any loosening of the state's sum-sufficiency funding obligation would shift the cost of meeting federal mandates to localities. Local governments should insist that the State maintain the sum-sufficiency-provisions in Code of Virginia, Section 2.1-757C relating to the General Assembly's obligation to fund special education and foster care services and to meet relevant federal mandates for the provision of these services.

Some youth with severe mental, emotional or behavioral problems require treatment in residential centers. Such treatment often lasts several months at an average cost of \$10,000-\$15,000 per month. Residential treatment is seldom covered by insurance, but is covered by Medicaid. While in residential treatment youths must attend school on site. In many states Medicaid covers those educational costs. In Virginia, however, the state and localities jointly fund them through CSA. If educational services in residential treatment were Medicaid reimbursable, federal funds would cover much of the cost. The Loudoun County match rate for Medicaid-reimbursed CSA services is 23.57%, while the local match rate for CSA pool-funded services is 47.64%. The annual savings in Loudoun County tax dollars would be at least \$90,000. In 2004 the General Assembly directed the Department of Medical Assistance to amend the state Medicaid plan to cover those educational costs, but that has not yet been accomplished.

Over the past four years, Medicaid has become a significant source of support for treatment services for the CSA population. During a previous session there was an unsuccessful bill to require that all CSA providers accept Medicaid. Although that proposal has surface appeal, there is a strong possibility of adverse impacts. First, low-cost locally based providers may be forced to close if their services do not fit Medicaid categories. Second, since Medicaid participation increases providers' administrative costs, it is likely that their fees will increase; possibly offsetting the budgetary advantages of using Medicaid providers.

## **FISCAL IMPACT:**

Total CSA and related Medicaid expenditures, in Loudoun, for FY 07 were \$8,409,306. The State is required to fund 52.36% of CSA costs through base year and supplemental allocations for all eligible children receiving foster care or special education services. Of the 237 youth served in FY 07, 11 children were not part of the State's mandate to provide 52.36% of the costs. A small amount of CSA funding is budgeted for non-mandated clients. However, these funds typically run out well before the end of the fiscal year. Any expenditure beyond the state allocation for non-mandated services is 100% locally funded. In FY 08, the County has budgeted \$9,267,482 for CSA services and is relying on \$4,400,482 in state revenue.

In March 2007 the Virginia Secretary of Health and Human Services directed that CSA policy and practice be revised to comply with a December 2006 Virginia Attorney General opinion that state CSA and Foster Code regarding mandated provision of foster care services was being interpreted too restrictively. Implementing that directive cost Loudoun County \$77,250 in the last quarter of FY 07, and the cost in FY 08 will likely be significantly higher.

- **STATE AND LOCAL TAX ISSUES**

**Support legislation that would allow a locality to tax low-speed electric vehicles at a rate other than that on the general class of property.** (*Board vote on January 3, 2008, 7-2, Supervisors Delgaudio and York-no*)

**Support legislation that extends the sunset from 2009 to 2019 on Loudoun County's ability to impose a different personal property tax on certain business personal property owned by Orbital Sciences Corporation.** (*Board vote on January 3, 2008, 7-2, Supervisors Buckley and Delgaudio-no*)

**Support legislation that provides Loudoun County the authority to levy up to a \$0.05 per pack tax on the sale and use of cigarettes under § 58.1-3831 of the Code of Virginia.** (*Board vote on January 3, 2008; 7-2, Supervisors Delgaudio and Waters-no*)

## **BACKGROUND:**

**LOWER TAX RATE FOR LOW-SPEED ELECTRIC VEHICLES-** Supervisor Kurtz is initiating legislation that would allow a locality to tax low-speed electric vehicles at a rate other than that on the general class of property. "GEM" is a low-speed, battery-electric vehicle. The car is street-legal on roads with a speed limit of 35mph or less, and must be registered and insured like other cars. There are approximately 17 of these cars registered in Loudoun County. Because of the "newness" of this vehicle, it has not been acknowledged under the "clean special fuel" vehicles category, so owners are required to pay full taxes on a car that is more environmentally friendly than a Toyota Prius. "Clean special fuel," as defined in § 46.2-749.3, means "any product or energy source used to propel a highway vehicle, the use of which, compared to conventional gasoline or reformulated gasoline, results in lower emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide or particulates or any combination thereof. The term includes compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, hythane (a combination of

compressed natural gas and hydrogen), and electricity [emphasis added].” It appears that the General Assembly has authorized localities to set a separate tax rate on a “highway vehicle” only.

In order for Loudoun to tax low-speed vehicles at a rate other than that on the general class of property, the *Code of Virginia* would need to be amended to include low-speed vehicles in the definition of clean special fuels, or a special classification would need to be added to § 58.1-3506 that would permit a special, lower separate rate on that new class of property.

#### **ORBITAL TANGIBLE PERSONAL PROPERTY TAX SUNSET EXTENSION-**

Currently, the *Code of Virginia* permits Loudoun County to impose a different personal property tax on certain business personal property owned by Orbital Sciences Corporation, which is headquartered in Dulles. This statute expires (or “sunset”) in 2009. This seeks Board approval for County staff to initiate or support legislation that extends this sunset from 2009 to 2019.

In 1999, the County initiated SB 995 to establish a separate class of tangible personal property for tax rate purposes. The affected tangible personal property consists of business property used in manufacturing, testing or operating satellites by a trade or business located within a particular Multicounty Transportation Improvement district: the Route 28 tax district. Orbital Sciences Corporation is the only business in the Route 28 tax district to whom this legislation applies.

Loudoun County sought the legislation as a means of strategically using tax policy to help industry clusters grow, as the County did for the aviation industry and for the internet/online industry. In the case of the aerospace industry, this policy has worked so far in that Orbital expanded after the legislation originally passed and is in the process of expanding again. Although this legislation limited the tax classification to the Route 28 tax district, the industry cluster has grown to include other businesses such as Aero Astro and, to some extent, Iridium.

**LOUDOUN COUNTY CIGARETTE TAX-** Fairfax and Arlington Counties currently have the authority to levy up to a \$0.05 per pack tax on the sale and use of cigarettes under § 58.1-3831 of the *Code of Virginia*. This seeks Board support for County staff to initiate or support legislation that provides Loudoun County the same authority. County staff estimates that if the County were to impose a \$0.05 per pack tax, \$2.5 to \$3.0 million in revenue would be generated annually. Revenues generated by the tax could be used to fund the County’s Affordable Dwelling Unit program.

- **LAW LIBRARY FUNDING**

**Support legislation that provides additional State funds for law libraries while holding harmless other means of state funds that support localities.** (*Board vote on December 4, 2007; 8-0-1, Supervisor Tulloch absent for vote; Board vote on January 3, 2008; 9-0*)

## **BACKGROUND:**

As seen in the attached November 19<sup>th</sup>, 2007 Memorandum from the Clerk of the Circuit Court, Gary Clemens (Appendix I), the Clerk seeks Board of Supervisors support for legislation which will provide more state funding for the law library and is recommending that the Board approve additional local funds for the law library.

Per the background section of the FY 2008 Adopted Fiscal Plan, “the law library provides resources and reference services that promote access to justice by addressing the legal information needs of Loudoun County government, court personnel, attorneys, the local prison population, and the general public. The Law Library provides a collection of legal materials that is needed, much used and not generally available elsewhere in Loudoun County. Funding for the law library is currently derived through Clerk of the Circuit Court revenues through its trust fund. Currently, there are no local tax funds that offset its projected FY 2008 budget of \$75,000. According to the attached memorandum, the Clerk of the Circuit Court is anticipating an operating deficit for the law library’s operations for FY 2008.”

## **ISSUES:**

Supporting additional state funding for the law library is an option. However, the State will need to make choices among competing needs, or develop new forms of revenue (i.e., reauthorization of the writ tax). There is no readily identifiable local tax fund available to offset any overage in the law library’s operating budget. Typically, the Clerk of the Circuit Court would be asked to use any unexpended monies at the end of the year to offset any negative balance for the law library operating budget. The Clerk did not state in his memorandum, the estimated FY 2008 year end deficit for the library. He subsequently reported to County Administration after the date of the Public Safety Committee packet that the deficit is estimated at \$8,000.

## **FISCAL IMPACT:**

There is no fiscal impact in having the Board of Supervisors seek additional state funds as part of its 2008 Legislative Package assuming that the new funds do not come from another revenue source that supports other county services (e.g., fee for courthouse maintenance). The recommendation that the Board seeks additional local tax funds will have a negative fiscal impact on the County’s budget. No readily identifiable funds have been found to offset any deficit (estimated at \$8,000 for the end of FY 2008) within the Law Library’s operating budget.

- **LOUDOUN COUNTY’S VOLUNTEER FIRE AND RESCUE RETIREMENT SYSTEM**

**Support legislation that will permit Loudoun County to change administration of Loudoun County’s volunteer fire and rescue retirement system, which will provide better long-term financial stability for the plan. (Board vote on January 3, 2008; 9-0)**

## **BACKGROUND:**

Volunteer fire and rescue service members serving Loudoun County are eligible to participate in Loudoun County's volunteer fire and rescue retirement system. Even though they provide a valuable service to the community, these volunteers are not Loudoun County employees. Their retirement system is a noncontributory, single-employer, defined benefit length of service retirement plan (the "Plan") administered by Loudoun County. All benefits vest after ten years of credited service. Currently, Plan funds are invested in a fixed annuity that pays 4.85%; the County purchases the annuity from a third party. Loudoun County funds 100% of the Plan and the actuarially determined amount for FY 2007 is \$700,000. To the best of County staff's knowledge, Loudoun County is the only locality in the Commonwealth with a volunteer fire and rescue retirement system.

The Department of Management and Financial Services-Benefits request that the Board consider supporting legislation that would change the Plan's current administration; thereby eliminating the need for and costs associated with purchasing an annuity from a third party. The County's goal is to improve the plan's financial stability and manage the Plan as a traditional pension plan.

In order for the County to improve the management of the Plan, the *Code of Virginia* needs to be amended to remove the County funds contributed to the Plan from the requirements imposed by the *Investment of Public Funds Act*. Funds invested in the Virginia Retirement System and *Code*-authorized defined contribution plans enjoy the same treatment. This will allow the County to eliminate the need for a third party and will improve the plan's stability and performance in the long-term.

## **PUBLIC SAFETY ISSUES**

- **PEDESTRIAN SAFETY**

**Support legislation that revises to Virginia's existing pedestrian legislation to clarify the responsibilities of drivers and pedestrians in order to reduce the number of pedestrian injuries and fatalities that occur each year. In particular, require motorists traveling on roads where the speed is 35 mph or less to stop for pedestrians in crosswalks at intersections without traffic signals.** (*Board vote on November 20, 2007; 9-0; Board vote on January 3, 2008, 9-0*)

## **BACKGROUND:**

Recent events throughout the region have highlighted a growing concern for the safety of pedestrians attempting to cross streets. Many Northern Virginia jurisdictions are exploring a variety of means to effectively provide for pedestrian safety while avoiding both the potential for serious vehicular accidents and the potential for creating a false sense of security for the pedestrians. Legislation could revise Virginia's existing pedestrian statutes to clarify the responsibilities of drivers and pedestrians in order to reduce the number of pedestrian injuries and fatalities that occur each year. In particular, legislation could require motorists traveling

on roads where the speed limit is 35 mph or less to stop for pedestrians in crosswalks at intersections without traffic signals. This is a Northern Virginia regional position.

- **STORAGE OF HAZARDOUS MATERIALS**

**Support legislation that permits a locality to prohibit the initiation of new storage of hazardous materials in floodplains five stream miles upstream of an intake for a public water supply.** *(Board vote on January 3, 2008; 9-0)*

**BACKGROUND:**

Supervisor Kurtz is initiating legislation that permits a locality to prohibit the initiation of new storage of hazardous materials in regulated floodplains five stream miles upstream of an intake for a public water supply. A proposed civil penalty of no more \$100 may be levied by the locality for a violation of its ordinance. Each day that the prohibited action continues after the issuance of the initial violation may constitute a separate violation. Exemptions are provided in this legislation for the Virginia Department of Transportation for its construction, reconstruction and maintenance of highways and the U.S. Department of Defense facilities and operations.

## **LAND USE ISSUES**

- **HOUSING OVERCROWDING**

**Direct staff to work with the County delegation to the Virginia General Assembly to introduce and support legislation related to housing overcrowding that permits the County to double fines for second offenses to \$5,000 and triple fines for third offenses to \$7,500; and request the Chairman of the Board to send a letter to all the counties within the Commonwealth to ask for their support and to forward this item to the Culpeper Coalition.** *(Board vote on November 20, 2007; 9-0; Board vote on January 3, 2008; 9-0)*

**BACKGROUND:**

During its examination of immigration issues, the Committee of the Whole directed staff to pursue development of a proposal that would shift from reactive to proactive enforcement of the housing overcrowding ordinance. One aspect of the proposal is to seek legislation related to housing overcrowding that permits the County to double fines for second offenses to \$5,000 and triple fines for third offenses to \$7,500.

## **TRANSPORTATION**

- **TRANSPORTATION EFFICIENCIES**

**Support Northern Virginia Transportation Authority (NVTA) initiatives that seek amendments to Virginia State Code § 2.2-4301 3(a) to increase the on-call consultant task order limitation from \$200,000 to \$1 million and the annual limit from \$1 million to \$5 million for transportation projects. Also support the NVTA in increasing, from \$400,000 to \$1 million, the limit on state-funded construction projects that can be**

**undertaken by local governments using its own employees.** (*Board vote on November 20, 2007; 9-0; Board vote on January 3, 2008; 9-0*)

Current limitations in § 2.2-4301 3(a) of the *Code of Virginia* restrict the amount of project design and preparation that can be accomplished and lengthens the time needed for project implementation. The Northern Virginia Transportation Authority (NVTA) is seeking amendments to § 2.2-4301 3(a) to increase the on-call consultant task order limitation from \$200,000 to \$1 million and the annual limit from \$1 million to \$5 million for transportation projects. Increases in the limits will allow the NVTA, transportation commissions and local governments to hire a General Engineering Consultant that can organize and employ a team of sub-consultants on large projects. NVTA is also seeking to increase, from \$400,000 to \$1 million, the limit on state-funded construction projects that can be undertaken by local governments using its own employees. This is a Northern Virginia regional position.

- **SECONDARY STREET ACCEPTANCE REQUIREMENTS**

**Oppose secondary street acceptance requirements, either legislative or regulatory, that:**

- a. **lead to maintenance responsibility for certain secondary streets being reverted back to the locality, homeowners association, or homeowners;**
- b. **lead to stub-outs being required to parcels which are already developed, with the anticipation that they would be redeveloped and provide inter-parcel connections;**
- c. **do not include broad grandfathering options for unbuilt developments with approved rezonings, site plans, or road construction plans; or**
- d. **may lead to street acceptance processes that do not achieve the safe and efficient operation of a locality's transportation network.**

(*Board vote on December 4, 2007; 9-0; Board vote on January 3, 2008; 9-0*)

**BACKGROUND:**

Senate Bill 1181 of the 2007 General Assembly Session added §33.1-70.3 to the *Code of Virginia*. The legislation requires the Commonwealth Transportation Board (CTB) to develop Secondary Street Acceptance Requirements (SSAR), promulgated by regulation, to determine the conditions and standards that must be met before secondary streets constructed by developers, localities and entities other than the Virginia Department of Transportation (VDOT) will be accepted into the state secondary system for maintenance by VDOT.

The new regulation will replace and supersede the current Subdivision Street Requirements (24 VAC 30-91). SB 1181 exempted the promulgation of the initial SSAR regulations from the provisions of the Administrative Process Act.

In response to SB 1181, Secretary of Transportation Pierce Homer empanelled an Implementation Advisory Committee to assist the CTB in the development of this regulation. This Committee held its first meeting on September 4, 2007, and has met several times since. County staff has been in regular contact with VDOT staff supporting the Committee's work.

Currently, VDOT staff anticipates publishing a draft SSAR regulation in December or January. Following an approximately 30 day public comment period, it's likely that the Committee will meet two or three times to review public comment and refine the draft regulation, probably taking four to eight weeks to complete this work.

After the Committee finishes its refinement of the regulation, it would then undergo Executive branch review (Attorney General, etc). Upon completion of this review, the final regulation would be published in the *Virginia Register of Regulations* and on the SSAR website. VDOT staff anticipates that the final regulation will include a six month transition period, during which time new subdivisions would have the option of applying for acceptance under the old or new requirements and standards. At the end of the transition period, the new standards would apply to all subdivisions.

#### **ISSUES:**

During its communication with VDOT staff, County staff has raised a number of concerns regarding portions of the draft regulation. These concerns include:

- 1) The potential of maintenance responsibility for certain secondary streets being reverted back to the locality, HOA, or homeowners;
- 2) The necessity to include broad grandfathering options for unbuilt developments with approved rezonings, site plans, or road construction plans;
- 3) Stub-outs being required to parcels which are already developed, with the anticipation that they would be redeveloped and provide inter-parcel connections;
- 4) The length of time that VDOT may hold a bond after accepting a street; and
- 5) Other details regarding connectivity requirements, the acceptance process, and traffic calming measures.

## **GENERAL GOVERNMENT**

- **ELECTRONIC MEETINGS DURING EMERGENCIES**

**Support legislation authorizing local governments to convene meetings electronically (e.g., speaker phone, video conference, etc.) when the Governor has declared a local emergency. This would include the initial meeting where the governing body declares or ratifies the declaration of an emergency. The authority would apply for the duration of the emergency. (Board vote on November 20, 2007; 9-0; Board vote on January 3, 2008; 9-0)**

## **BACKGROUND:**

Currently, the Freedom of Information Act does not permit localities to convene meetings electronically (e.g., speaker phone, video conference, etc.) when the Governor has declared a local emergency. Providing localities the authority to convene meetings electronically during such emergencies likely will facilitate faster local response to emergencies. To ensure proper use of this authority, legislation could require (1) the locality to include the initial meeting where the governing body declares or ratifies the declaration of an emergency, and (2) that the authority would apply for the duration of the emergency. This is a Northern Virginia regional position.

- **RESOLUTION TO REQUEST ACTION BY THE GOVERNOR AND GENERAL ASSEMBLY TO PREVENT EXPLOITATIVE PAYDAY LENDING PRACTICES**

**Adopt the Resolution to Request Action by the Governor and General Assembly to Prevent Exploitative Payday Lending Practices and that this resolution be sent to Loudoun's General Assembly Delegation as the official position of this Board and urge their support of HB 12.** *(Board vote on January 3, 2008; 9-0)*

## **BACKGROUND:**

As a consequence of the Payday Loan Act of 2002, predatory Payday Loans practices in Virginia are becoming far more widespread, crippling tens of thousands of our citizens with usurious, legally-charged interest rates as high as 782% APR (not a misprint: seven hundred eighty-two percent). There are more payday loan shops in Virginia than McDonalds or Starbucks locations. What is intended as a two-week loan can easily become a debt that many people may be burdened with for months and even years. Targets of payday loans are often citizens who have little access to conventional credit sources and are particularly vulnerable to these loans.

The terms of many payday loans are written in such a way as to require terms of the borrower and withhold protections commonly accepted in more conventional loan practices. It is a common practice for payday loan licensees to hold pre-signed blank checks and draw funds from a borrowers account without their express permission, sell the blank checks to third parties and engage in other adverse lending practices.

The terms and conditions of payday loans are not required to be written in common, easy-to-understand language and the actual cost of these loans are not given to a borrower. Thus many borrowers enter into these loans without any real idea of the actual cost of repayment. In addition many payday loans require title to an automobile to be held as collateral for loans as small as \$300.

Virginians Against Payday Loans (VAPL), an organization supported by businesses, faith-based groups and consumer advocates was formed in May of 2007 to combat this practice.

With consumers' paychecks being strained by higher energy costs, higher food costs, increasing rents and mortgages, the temptation to use one of these loans to bridge a short-

term cash shortage is increasing. At the same time, the number of consumers who would be unable to pay back one of these loans is also increasing.

#### **ISSUES:**

VAPL has contacted every county and municipality in Virginia asking for General Assembly support for a 36% APR rate cap on payday loans. They are additionally working to develop a financial alternative to payday loans and to provide financial education to those most likely to use one of these loan products.

HB 12 to be offered in the 2008 General Assembly amends and reenacts applicable statutes of the Code of Virginia relating to payday loans and will offer a number of measures that works to the protection of the consumer. This Bill further provides protection to members of the United States Armed Forces, many of whom fall victim to these loan practices severely affecting their effectiveness as Soldiers, Sailors and Airmen.

This resolution will be in support of VAPL's effort and asks the Virginia General Assembly on behalf of Loudoun County to support HB 12, which among other measures will cap payday loans at 36%, enact a prohibition of the use of personal checks or other methods by a creditor to gain access to a consumer's bank account and curtail the practice of holding a car title as collateral for loan amounts far smaller than the book value of the vehicle.

#### **FISCAL IMPACT:**

The savings to Loudoun consumers affected by these loans would be significant.

- **RESOLUTION TO JOIN AND SUPPORT THE VIRGINIA COALITION OF HIGH GROWTH COMMUNITIES**

**Endorse the mission of the Virginia Coalition of High Growth Communities and its legislative priorities for the 2008 Virginia General Assembly Session.**

**Authorize the expenditure of up to \$5,250 to support the Coalition's legislative strategy and lobbying team.** (*Board vote on January 3, 2008; 8-1; Supervisor Delgaudio-no*)

#### **BACKGROUND:**

The Virginia Coalition of High Growth Communities or the "Coalition" is an association representing the fastest growing cities, counties and towns in Virginia was founded in 1999 by local elected officials concerned with the high cost of residential growth. Loudoun County was among the charter members as the effort to form the coalition was led by then Supervisor Scott K. York. As the elected officials of these jurisdictions saw high-growth communities sinking into debt, they sought to lobby the Virginia General Assembly to gain power to charge impact fees or to stop development – even after a rezoning – in areas where existing infrastructure is inadequate. This power would give localities more time to build their commercial tax base and to prepare for inevitable infrastructure costs that come with substantial residential growth.

The impacts of such rapid growth on local government service delivery are the galvanizing factor behind the Coalition's three priorities: 1) Virginia should have a strategy for planned, intelligent, and sustainable growth, which protects environmental and historic resources; 2) Support legislation to strengthen local government authority to effectively manage the pace of growth in a fiscally responsible manner (e.g. adequate public facilities review and impact fee authorities); and 3) Avoid further diminution of local land use and development regulatory authority.

The Mission of the Coalition is to advocate for state policy and legislation that maintains and strengthens local authority to manage development and its impacts in a sustainable and fiscally responsive manner, to preserve environmental and cultural resources, and promote the public interests of our citizens. Membership is on a voluntary basis. Voting members are elected officials from each member locality. Dues are paid on a schedule based on the population of the locality, with minimum and maximum annual amounts per locality.

The Coalition has an Executive Committee comprised of the Chairman and Vice Chairman, and several additional Coalition Members.

In the summer of 2007, the Coalition initiated and helped plan the July 24<sup>th</sup> Transportation Summit. In addition the Coalition provided all administrative services needed for this key event that was attended by 300+ key local government officials.

Roger Wiley and Jeff Gore of Hefty and Wiley, P.C., provide Government Relations Services. Administrative Services, in addition to David Bailey Associates, 1001 E. Broad Street, Suite 215, Richmond, VA 23219.

#### **ISSUES:**

The impact of substantial residential growth remains the single largest obstacle to planning, financing and constructing the schools, parks, safety centers and other public facilities required by a mushrooming population. By reaffirming the mission statement of the Coalition and submitting the annual dues of \$5,250 Loudoun County would rejoin the Coalition. The Board of Supervisors would also designate a voting member to attend Coalition meetings.

#### **FISCAL IMPACT:**

The annual assessment for Loudoun County, based on population, will be \$5,250 for 2008.

*CLERK OF THE CIRCUIT COURT  
LOUDOUN COUNTY*

MEMORANDUM

TO: John Sandy, County Administration

FROM: Gary M. Clemens, Clerk of the Circuit Court

RE: Law Library Funding Legislative Issue

DATE: November 19, 2007

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Thank you for offering your assistance by presenting this issue to the Public Safety Committee of the Board of Supervisors. My purpose is to bring this matter to the Board's attention for discussion and options for pursuing action to develop the necessary funding for the law library.

After consideration and discussion of this issue, the public safety committee may present one or more of the following motions:

- Recommendation that the County Administrator to pursue legislation on behalf of the County to provide more state funding for the law library
- Recommendation that the Board of Supervisors approve additional local funding for the law library
- Recommendation of neither option which would possibly lead to cutbacks in the law library operations

The law library in Loudoun County has always existed within the courthouse or courthouse grounds. The law library originally began as a repository of the law books purchased by the circuit court judges who generously made them available to the public. In 1988, the Loudoun County courts (circuit court and district courts) started collecting a writ tax assessed on certain civil court cases. The writ tax was created by legislation and the County adopted a local ordinance (Loudoun County Ordinance 296.02) which provided the statutory and local authority to collect the writ tax. The purpose of the writ tax was to purchase legal resource materials for a legal resource center or law library. The writ tax quickly became the main source of funding for the law library. For many years, the Loudoun County Bar Association has also contributed to the law library by providing private funding for law library operations.

Effective July 1, 2003, the collection of the writ tax was significantly reduced when the Virginia General Assembly passed legislation (Va. Code section 17.1-281), capping the assessment of the writ tax when the locality also collects for a courthouse maintenance fund. Loudoun County does collect a courthouse maintenance fund. This new law effectively cut the law library's primary source of revenue in half. Consequently, the law library has been forced to discontinue many essential publications and online legal research services. The law library has experienced a funding deficit each year since July 2003. The Clerk of the Circuit Court and the Circuit Court Judges have graciously provided funding from their county budgets, via budget adjustments, to overcome the law library's budget deficits for operations. Additionally, the Loudoun County Bar Association has increased its annual contributions as a result of the writ tax funding deficit. The Clerk of the Circuit Court received additional state funding for staffing in FY07 and used a portion of this state funding to supplement the funding for a full-time law librarian position.

The Clerk of the Circuit Court will continue to provide the state funding to supplement the full-time position for the law librarian. The law library anticipates a deficit again this year in the operational budget and the Clerk of the Circuit Court and the Circuit Court Judges may not be able to assist with budget adjustments to overcome the deficit. Unless the Loudoun County Bar Association increases its annual contribution, the law library will have to significantly cut legal resource services to the public. This deficit can also be addressed by official Board action by virtue of approval of additional local funding for the law library operations and/or pursuit of legislation that will permit the collection of the writ tax in the circuit court and district courts regardless of the locality's collection of the courthouse maintenance.

Should you have any questions related to this issue, please feel free to contact me at (703) 777-2077. Thank you for your assistance and interest in this matter.

CC: Paul Brown, County Administration  
Alice Zent, Law Library Director  
Eric Link, Legislative Advisor

Attachment: List of Relevant Virginia Code sections

## **Virginia Code Sections related to a Law Library or Legal Resource Center**

- 17.1-281      Assessment for courthouse construction, renovation or maintenance
- 42.1-70      Assessment for law library as part of costs in civil actions; contributions from bar associations

## **Loudoun County Ordinances related to Legal Resources Center Fund**

- 296.01      Additional Assessments of Costs in Civil Actions, Amount of Same
- 296.02      Collection of Assessments, Acquisition and Maintenance of Legal Resources Center; Employment of Librarian and other staff
- 296.03      Disbursements from Fund; Acceptance of Contributions

## **A Resolution to Request that the General Assembly Take Action to Prevent Exploitative Payday Lending Practices in the Commonwealth**

**Whereas**, the practice of writing exploitative payday loans is becoming widespread in the Commonwealth, affecting the fragile finances of many of our citizens unable to secure small, temporary loans to bridge the gap between pay periods; and

**Whereas**, payday lenders can legally charge as much as 782% APR for these types of loans because of a special exception in Virginia law; and

**Whereas**, payday loans operators specifically target low income citizens including members of our Armed Forces who are vulnerable to the misleading advertising and vaguely written terms and conditions that fail to clearly quantify the cost of true cost of the loan; and

**Whereas**, HB 12, to be offered in the 2008 General Assembly of Virginia serves to amend and reenact State law that curtails many usurious payday loan practices and provides protections to vulnerable consumers; and

**Whereas**, it is vital that the General Assembly and the Governor of Virginia give their earnest attention to these matters at the next regular session of the General Assembly to enact and amend laws that will prevent further exploitative payday lending practices.

**Now, Be It Therefore Resolved**, that the Loudoun County Board of Supervisors do ask the General Assembly and the Governor of Virginia to take action to enact and amend laws that will prevent further exploitative payday lending practices, including but not limited to:

- Enactment of an annual interest rate cap of 36% for any consumer loans made in the Commonwealth of Virginia.
- Prohibition of the use of a personal check or other method by a creditor to gain access to a consumer's bank account or methods used to gain title to a consumer's motor vehicle as collateral for a payday loan.
- Additional protections be included to protect members of our Armed Forces and their dependents such that their effectiveness is not hampered by the predatory nature of these type of loans.

## **Resolution in Support of Mission Statement of the Virginia Coalition of High Growth Communities and Authorization to Rejoin the Coalition**

**Whereas;** the Virginia Coalition of High Growth Communities is an association of local elected officials representing the fastest growing cities, counties and towns in Virginia; and

**Whereas;** Loudoun County was a charter member of this coalition and was instrumental in it's growth and gained a great deal of knowledge of local land use policy through a shared dialogue with the other members of the Coalition; and

**Whereas;** the impacts of such rapid growth on local government service delivery are the galvanizing factor behind the Coalition's three priorities: 1) Virginia should have a strategy for planned, intelligent, and sustainable growth, which protects environmental and historic resources; 2) Support legislation to strengthen local government authority to effectively manage the pace of growth in a fiscally responsible manner (e.g. adequate public facilities review and impact fee authorities); and 3) Avoid further diminution of local land use and development regulatory authority.

**Whereas;** the Mission Statement of the Coalition is to advocate for state policy and legislation that maintains and strengthens local authority to manage development and its impacts in a sustainable and fiscally responsive manner, to preserve environmental and cultural resources, and promote the public interests of our citizens; and

**Whereas;** the Coalition annually develops a General Assembly legislative strategy which includes the hiring of a lobbying team to represent the interests of the High Growth Coalition before the General Assembly; and

**Whereas;** the High Growth Coalition has requested that each member locality contribute funds to help support the costs associated with the Coalition's lobbying team which works to support legislation that will benefit member communities; and.

**Now, Be it Therefore Resolved,** that the Loudoun County Board of Supervisors does support the Mission Statement of the Virginia Coalition of High Growth Communities; and

**Now, Be It Further Resolved,** that the Board of Supervisors does authorize the expenditure of \$5,250 to rejoin the Coalition of High Growth Communities; and

**Now, Be It Further Resolved,** that the Loudoun County Board of Supervisors will elect a representative form the Board to be a voting member of the High Growth Coalition



## L O U D O U N C O U N T Y F A C T S

Loudoun County was a part of the five million acre Northern Neck of Virginia Proprietary granted by King Charles II of England to seven noblemen in 1649. The Town of Leesburg, named after one of the signers of the Declaration of Independence, has continuously served as the County Seat since 1757. Loudoun County encompasses a 517 square mile area on the rolling Piedmont section of Northern Virginia and is bordered by the Blue Ridge Mountains on the northwest and the Potomac River on the northeast. It is 35 miles northwest of Washington D.C. and is the fastest growing county in the Washington Metropolitan region and the Commonwealth of Virginia. Of all counties in the nation with 100,000 or more persons, Loudoun was the fastest growing county for the six-year period from 2000 to 2006. Loudoun grew by an estimated 58.5%. It is home to some of the nation's leading technology-oriented businesses such as Orbital Sciences Corporation and the Howard Hughes Medical Institute, Janelia Farms Research Center.

Population – 2008 forecast <sup>1</sup>	279,082
2000 Census <sup>1</sup>	169,599
1990 Census <sup>1</sup>	86,129
Population growth 1990-2000	96.9%
Population – 2010 Forecast <sup>1</sup>	291,734
Density (persons per square mile) 2008 Forecast	539
Median Age 2006 <sup>3</sup>	33.2 years
Student population estimate 2007-08 (academic year) <sup>4</sup>	54,047
1990-91 (academic year) <sup>4</sup>	14,632
Student population growth since 1990	269%
Student population est. 2013-14 (academic year) <sup>4</sup>	76,794
Bond ratings	
Fitch	AAA
Moody's	Aaa
Standard & Poor's	AAA
Total households <sup>1</sup>	87,479 (2005 estimate) 98,413 (2008 forecast) 102,692 (2010 forecast)
Household size – 2006 <sup>1,3</sup>	2.89 (Loudoun), 2.67 (D.C. MSA), 2.55 (Virginia), 2.61 (U.S.)
Real property tax rate – 2007 <sup>2</sup>	\$0.96 per \$100 of assessed value (\$0.917 General Fund, \$0.043 Fire/EMS Fund)
Machinery and tools tax rate – 2007 <sup>2</sup>	\$2.75 per \$100 of assessed value
Commercial & industrial (% of total base) 2007 <sup>2</sup>	16%
Assessed value of taxable real property – 2007 <sup>2</sup>	\$63.55 billion
Personal property tax rate – 2007 <sup>2</sup>	\$4.20 per \$100 of assessed value
State reimbursement for personal property taxes <sup>2</sup>	\$48.07 million
Assessed value of personal property – 2007 estimate <sup>6</sup>	\$3.58 billion
FY 2008 Adopted School System operating budget <sup>2</sup>	\$700.6 million
FY 2008 Adopted General Government operating budget <sup>2</sup>	\$351.8 million
School System FY 2008 Full-Time Equivalent Positions <sup>2</sup>	8,526.34
General Govt. FY 2008 Full-Time Equivalent Positions <sup>2</sup>	3,427.22
Adopted 6-Yr Capital Improvement Program (FYs 2007-12) <sup>2</sup>	\$1.7 billion
% of 6-Yr CIP total expenditures debt financed <sup>2</sup>	74%
FY 2008 Debt service expenditures <sup>2</sup>	\$141.21 million
FY 2008 Debt service per capita <sup>2</sup>	\$501
FY 2008 Debt to estimated value of taxable real property <sup>2</sup>	1.64%
FY 2008 Debt to per capita income <sup>2</sup>	8.73%
FY 2008 Debt to governmental fund expenditures <sup>2</sup>	8.81%
Schools <sup>4</sup>	72 (2007-08) 85 (2011-12)
Voting precincts – January 2008 <sup>7</sup>	62
Registered voters – January 2008 <sup>7</sup>	161,043
Local electoral districts (includes at-large)	9

**Sources:**

<sup>1</sup> 2007 Fiscal Impact Committee

<sup>2</sup> FY 2008 Adopted Fiscal Plan

<sup>3</sup> U.S. Census Bureau 2006 American Community Survey

<sup>4</sup> Loudoun County Public Schools

<sup>5</sup> VA State Dept. of Taxation

<sup>6</sup> 2007 Comprehensive Annual Financial Report – Table F

<sup>7</sup> VA State Board of Elections