# Recommendations for Legislative Action

2015 to 2018





#### Joint Legislative Audit and Review Commission

Senator Thomas K. Norment, Jr., Chair Delegate R. Steven Landes, Vice-Chair

Delegate Terry Austin
Delegate Betsy Carr
Delegate M. Kirkland Cox
Senator Emmett W. Hanger, Jr.
Delegate Charniele L. Herring
Senator Janet D. Howell
Delegate S. Chris Jones
Senator Ryan T. McDougle
Delegate Robert D. Orrock, Sr.
Delegate Kenneth R. Plum
Senator Frank M. Ruff, Jr.
Delegate Christopher P. Stolle

Martha S. Mavredes, Auditor of Public Accounts

#### JLARC staff

Hal E. Greer, Director

## Recommendations for Legislative Action 2015 to 2018

JLARC is the oversight agency of the Virginia General Assembly, established to evaluate the operations and performance of state agencies and programs.

When mandating a new study, the General Assembly routinely directs JLARC staff to incorporate recommendations in its reports to the Commission. Recommendations are sometimes directed to the General Assembly, when legislative action may improve the efficiency or effectiveness of a program.

Before each legislative session, JLARC staff review the reports from the past four years and present a list of recommendations to Commission members, for the purpose of assisting them as they prepare legislation.

New legislative recommendations from 2018 reports are listed first. Recommendations from 2015 through 2017 are included only if they have not already been implemented through legislation.

#### **ELECTIONS ADMINISTRATION**

#### Operations and Performance of Virginia's Department Of Elections, 2018

Assigning voters to districts ➤ The General Assembly may wish to consider amending § 24.2-404 of the Code of Virginia to require the Virginia Department of Elections (ELECT) to conduct periodic assessments to ensure that voters are assigned to the correct state legislative and congressional districts based on their residential addresses. ELECT should share the results of its assessment with registrars and ensure that these voters are correctly assigned. (Recommendation 7)

**Assigning voters to districts** ➤ The General Assembly may wish to consider amending the Code of Virginia to require that localities report to the Virginia Department of Elections (ELECT) all local boundary agreements. ELECT should consider these agreements when conducting periodic assessments of voter assignments. (Recommendation 8)

**Assigning voters to districts** ➤ The General Assembly may wish to considering including language in the Appropriation Act to direct the Virginia Department of Elections to work with the Virginia Geographic Information Network to ensure that all general registrars use Geographic Information System technology to assign voters to districts and precincts. (Recommendation 10)

State elections IT system ➤ The General Assembly may wish to consider including language in the Appropriation Act to withhold additional funds allocated for FY20 to rebuild the Virginia Election and Registration Information System pending satisfactory progress implementing improvements for which additional funding was provided in FY18 and FY19. (Recommendation 12)

State elections IT system ➤ The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Elections (ELECT), in consultation with the Virginia Information Technologies Agency, to comprehensively assess whether to replace or rebuild the Virginia Election and Registration Information System by examining the feasibility, costs, and benefits of each option. ELECT should consult external experts with recent experience helping other states rebuild or replace their elections information systems. (Recommendation 13)

State oversight of elections ➤ The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Elections (ELECT) to develop and implement a plan to provide greater oversight of local elections administration. The plan should detail strategies ELECT will use to (i) identify and assess major risks to election integrity and (ii) conduct activities to provide greater confidence that these risks are being mitigated. ELECT should submit its plan to the House and Senate Privileges and Elections Committees by July 1, 2019. (Recommendation 14)

**Nonpartisan, professional agency leadership** ► The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Elections (ELECT) to create a permanent, full-time position of director of operations subject to the Virginia Personnel Act (§ 2.2-2900 et seq.). The position should be responsible for managing day-to-day operations at ELECT and ensuring (i) fulfillment of the agency's mission and responsibilities; (ii) compliance with state and federal elections laws and regulations; and (iii) compliance with ELECT's business, administrative, and financial policies. (Recommendation 19)

**Nonpartisan, professional agency leadership** ► The General Assembly may wish to consider amending § 2.2-2905 of the Code of Virginia to eliminate the appointed positions of chief deputy commissioner and confidential policy advisor for the Virginia Department of Elections. (Recommendation 20)

**OPTION Voter registration** ► The General Assembly could amend the Code of Virginia to assign the Department of Elections exclusive authority to add and remove voters from the state's voter registration list. (Option 1)

#### PROFESSIONAL AND OCCUPATIONAL REGULATIONS

Operations and Performance of DPOR, 2018

**Regulation of occupations** ➤ The General Assembly may wish to consider amending the Code of Virginia to eliminate the occupational regulation of common interest community managers, opticians, and residential energy analysts and firms. (Recommendation 1)

**Regulation of occupations** ► The General Assembly may wish to consider eliminating regulation of natural gas automobile mechanics and technicians by repealing §§ 54.1-2355 through 54.1-2358 of the Code of Virginia. (Recommendation 4)

**Regulation of occupations** ➤ The General Assembly may wish to consider amending the Code of Virginia to require that any proposed legislation to increase or begin regulation of an occupation under the Department of Professional and Occupational Regulation must first be evaluated by the Board for Professional and Occupational Regulation using the criteria described in § 54.1-311 of the Code of Virginia. (Recommendation 5)

**Verification of license applications** ► The General Assembly may wish to consider amending the Code of Virginia to give the Department of Professional and Occupational Regulation authority to request and receive criminal record name searches as part of the review of individuals for initial licensure for any of the occupations that it regulates. (Recommendation 10)

Unlicensed practice of occupations ➤ The General Assembly may wish to consider amending § 54.1-111 of the Code of Virginia to authorize the director of the Department of Professional and Occupational Regulation (DPOR), or a designee, to issue cease and desist notices to individuals and businesses that are found through investigation to be engaged in the unlicensed practice of occupations overseen by DPOR and its boards. (Recommendation 27)

Excess revenue from fees ➤ The General Assembly may wish to consider amending § 54.1-113 of the Code of Virginia as follows, effective July 1, 2022: (i) to require that a regulatory board must reduce its fees if the board's fund balance exceeds a certain percentage of expenses allocated to it for the previous biennium or a set dollar amount, whichever is greater; and (ii) to require that, at the close of any biennium, all unspent or unencumbered revenue in excess of the cap be distributed to current regulants. This amendment should only apply to the Department of Professional and Occupational Regulation and its regulatory boards. (Recommendation 31)

#### **ECONOMIC DEVELOPMENT INCENTIVES**

Workforce and Small Business Incentives, 2018

**Workforce and small business incentives** ► The General Assembly may wish to consider amending the Code of Virginia to increase the minimum wage requirements for the Virginia Jobs Investment Program and the Small Business Jobs Grant. (Recommendation 1)

**Workforce incentives** ► The General Assembly may wish to consider eliminating the Worker Retraining Tax Credit. (Recommendation 5)

**Small business incentives** ➤ The General Assembly may wish to consider amending § 2.2-1616 of the Code of Virginia to direct the Virginia Small Business Financing Authority (VSBFA) to develop and use a scoring system to (i) award the Small Business Investment Grant and (ii) set the reimbursement rate for each award. The scoring system should be based on project characteristics and other criteria as determined by VSBFA. (Recommendation 6)

Small business incentives ➤ The General Assembly may wish to consider amending § 2.2-1616 of the Code of Virginia to require reasonable efforts to recapture Small Business Investment Grant awards from the business if the business (i) relocates outside the state or (ii) closes due to criminal conduct or malfeasance, within a certain time period after the grant is awarded. (Recommendation 8)

**Workforce incentives** ► The General Assembly may wish to consider eliminating the Telework Expenses Tax Credit. (Recommendation 12)

**OPTION Small business incentives** ► The General Assembly could consolidate the Small Business Jobs Grant into the Virginia Jobs Investment Program administered by the Virginia Economic Development Partnership. (Option 1)

**OPTION Small business incentives** ➤ The General Assembly could amend § 2.2-1616 of the Code of Virginia to (i) make professional investors eligible for Small Business Investment Grant funding and (ii) impose a minimum investment threshold. (Option 2)

#### Film Incentives, 2017

**Film incentives** ► If the General Assembly decides to maintain the film incentive program in Virginia, the General Assembly may wish to consider amending the Code of Virginia to repeal § 58.1-439.12:03, which establishes the Motion Picture Production Tax Credit, and to incorporate the tax credit criteria and reimbursement rate provisions into § 2.2-2320, which establishes the Governor's Motion Picture Opportunity Fund. (Recommendation 1)

**OPTION Film incentives** ► The General Assembly could consider eliminating the Motion Picture Production Tax Credit and the Governor's Motion Picture Opportunity Fund. (Option 1)

**OPTION Film incentives** ► The General Assembly could consider maintaining a film incentive program in Virginia and making substantive changes to improve the effectiveness and the economic benefit of the program. (Option 2)

#### EARLY CHILDHOOD DEVELOPMENT PROGRAMS

Improving Virginia's Early Childhood Development Programs, 2017

Information about at-risk children ➤ The General Assembly may wish to consider including language in the Appropriation Act to direct the Virginia Department of Health, with the assistance of the Departments of Social Services, Behavioral Health and Developmental Services, Education, and the University of Virginia, to develop a plan to improve the state's information on at-risk children and families. The plan should be submitted to the House Appropriations and Senate Finance Committees by July 1, 2019. (Recommendation 2)

Home visiting programs ➤ The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Behavioral Health and Developmental Services, Department of Health, and Department of Social Services to transform Project LINK into an evidence-based, well-designed, consistently implemented home visiting program to improve child development outcomes by reducing maternal substance abuse. The General Assembly may wish to consider appropriating sufficient funding. (Recommendation 3)

Home visiting programs ➤ The General Assembly may wish to consider including language in the Appropriation Act to direct Early Impact Virginia to identify potential additional sources of funding for Virginia's voluntary home visiting programs. The assessment should consider other states' approaches and funding sources, including but not limited to Medicaid, Temporary Assistance for Needy Families, lottery funds, and other dedicated sources of revenue. The assessment should consider the effect on funding stability and the advantages and disadvantages of each potential revenue source identified. Early Impact Virginia should report its findings and recommendations to the House Appropriations and Senate Finance Committees by July 1, 2019. (Recommendation 5)

**Special education** ► The General Assembly may wish to consider amending § 2.2-5304 and § 22.1-214 of the Code of Virginia to require the Department of Behavioral Health and Developmental Services and Virginia Department of Education to develop and implement a plan to (i) ensure all Early Intervention and Early Childhood Special Education practitioners receive initial and ongoing training on the programs' scoring processes; (ii) regularly assess the validity of ratings through systematic and documented analyses; and (iii) use results of these analyses to improve technical assistance and systematically target assistance to programs that need it. (Recommendation 16)

**Special education** ➤ The General Assembly may wish to consider amending § 22.1-214 of the Code of Virginia to direct the Virginia Department of Education to develop and implement a process to regularly and systematically collect information about the use of evidence-based practices in local Early Childhood Special Education programs. The Virginia Department of Education should use this information, together with data on inclusion and outcomes, to identify low-performing local programs and systematically target technical assistance to those in need of assistance. (Recommendation 17)

Special education ► The General Assembly may wish to consider including language in the Appropriation Act to direct the Secretary of Education and the Secretary of Health and Human Resources to convene a working group to (i) identify and assess the key barriers to serving Early Childhood Special Education participants in inclusive settings and (ii) develop a plan to increase the percentage of Early Childhood Special Education participants served in inclusive settings. Members of the working group should include state agency administrators of early learning programs, including the Virginia Preschool Initiative, Virginia Preschool Initiative Plus, Child Care Subsidy Program, and the Virginia Head Start State Collaboration Office. The working group should include representatives of other stakeholder groups, as appropriate. The findings of the workgroup should be submitted in a written report to the House Committee on Education, House Appropriations Committee, Senate Committee on Education and Health, and Senate Finance Committee by November 1, 2019. (Recommendation 18)

**OPTION Kindergarten readiness** ► The General Assembly could include language in the Appropriation Act to direct the University of Virginia's Center for Advanced Study of Teaching and Learning to incorporate a research-based assessment of physical and motor skills in the Virginia Kindergarten Readiness Program assessment. The General Assembly could appropriate sufficient funding. (Option 2)

**OPTION Preschool curriculum** ► The General Assembly could include language in the Appropriation Act to direct the University of Virginia's Center for Advanced Study of Teaching and Learning (UVA CASTL) to design and implement a two-year pilot of a comprehensive research-based curriculum for the Virginia Preschool Initiative (VPI). The goal would be to offer the curriculum to localities free of charge. UVA CASTL could submit a report to the House Appropriations and Senate Finance Committees on the (i) results of the pilot and (ii) feasibility and costs to the state of offering the curriculum to VPI providers statewide. The General Assembly could appropriate sufficient funding. (Option 3)

**OPTION Child care subsidy** ► The General Assembly could include language in the Appropriation Act to direct the Virginia Department of Social Services to establish and administer a pilot program to provide higher child care subsidy reimbursement rates for providers that demonstrate higher-quality care. The General Assembly could provide the Department of Social Services with additional funding for the pilot. The Virginia Department of Social Services should submit a report on the results of the pilot, along with options to modify and expand it, to the House Appropriations and Senate Finance Committees. (Option 4)

**OPTION Child care tax deduction** ➤ The General Assembly could repeal § 58.1-322.03(3) of the Code of Virginia to eliminate the Virginia Child Care and Dependent Expenses Deduction. Available revenue could then be used to (i) fund improvements to state-supported early childhood development programs and (ii) serve additional families through effective voluntary home visiting programs and subsidize care for children 12 months or younger currently on the Child Care Subsidy Program waiting list. (Option 5)

#### STATE EMPLOYEE COMPENSATION

Total Compensation for State Employees, 2017

Systematic, proactive approach to compensation ➤ The General Assembly may wish to consider including language in the Appropriation Act requiring the Department of Human Resource Management to convene a workgroup of state agency leaders to develop a methodology for determining the base amount of funding that should be appropriated for state employee salary increases each year. The methodology should take into account (i) recruitment and retention trends for each state job role, (ii) the value of each job role's median salary and total compensation as compared to the market, (iii) the extent to which workforce challenges can be addressed by salary increases, and (iv) the impact on state agency operations of workforce challenges in each job role. (Recommendation 3)

Systematic, proactive approach to compensation ► The General Assembly may wish to consider appropriating funds for the Department of Human Resource Management to contract with a third party consultant to periodically update calculations of how the value of Virginia's total compensation compares to the value of other employers' total compensation, including salaries, bonuses, and fringe benefits. (Recommendation 4)

Systematic, proactive approach to compensation ► The General Assembly may wish to consider amending § 2.2-1201 of the Code of Virginia to require the Department of Human Resource Management to provide a report that specifies (i) the job roles that should receive higher salary increases based on their recruitment and retention challenges; (ii) the amount by which other job roles' salaries should be increased, if at all; and (iii) cost estimates for funding the proposed increases. The report should also include supporting information on recruitment and retention trends, the functions performed by each job role, the number of employees and distribution of job roles across state agencies, and how the salaries for each job role compare to salaries paid by other employers. The report should be submitted through the Secretary of Administration to the governor and the House Appropriations and Senate Finance committees, by the last day in August prior to the first year of every new biennial budget. This Code change would require technical amendments to eliminate the reports currently required under §§ 2.2-1201 A.15 and 2.2-1202. (Recommendation 5)

Systematic, proactive approach to compensation ➤ The General Assembly may wish to consider including language in the Appropriation Act requiring the Department of Human Resource Management to conduct analysis on the effect of salary increases from the previous two biennial budgets on recruitment and retention of state employees. Analysis should focus on job roles with previously-identified recruitment and retention challenges and the effect of salary increases, or lack thereof, on recruitment and retention. This information should be included in a biennial report to the governor and the House Appropriations and Senate Finance committees at the end of August in the first year of every biennial budget. (Recommendation 6)

#### STATE EMPLOYEE COMPENSATION

Total Compensation for State Employees, 2017

Systematic, proactive approach to compensation ➤ The General Assembly may wish to consider including language in the Appropriation Act requiring the Department of Human Resource Management to convene a workgroup of state agency leaders to develop a methodology for determining the base amount of funding that should be appropriated for state employee salary increases each year. The methodology should take into account (i) recruitment and retention trends for each state job role, (ii) the value of each job role's median salary and total compensation as compared to the market, (iii) the extent to which workforce challenges can be addressed by salary increases, and (iv) the impact on state agency operations of workforce challenges in each job role. (Recommendation 3)

Systematic, proactive approach to compensation ► The General Assembly may wish to consider appropriating funds for the Department of Human Resource Management to contract with a third party consultant to periodically update calculations of how the value of Virginia's total compensation compares to the value of other employers' total compensation, including salaries, bonuses, and fringe benefits. (Recommendation 4)

Systematic, proactive approach to compensation ► The General Assembly may wish to consider amending § 2.2-1201 of the Code of Virginia to require the Department of Human Resource Management to provide a report that specifies (i) the job roles that should receive higher salary increases based on their recruitment and retention challenges; (ii) the amount by which other job roles' salaries should be increased, if at all; and (iii) cost estimates for funding the proposed increases. The report should also include supporting information on recruitment and retention trends, the functions performed by each job role, the number of employees and distribution of job roles across state agencies, and how the salaries for each job role compare to salaries paid by other employers. The report should be submitted through the Secretary of Administration to the governor and the House Appropriations and Senate Finance committees, by the last day in August prior to the first year of every new biennial budget. This Code change would require technical amendments to eliminate the reports currently required under §§ 2.2-1201 A.15 and 2.2-1202. (Recommendation 5)

Systematic, proactive approach to compensation ➤ The General Assembly may wish to consider including language in the Appropriation Act requiring the Department of Human Resource Management to conduct analysis on the effect of salary increases from the previous two biennial budgets on recruitment and retention of state employees. Analysis should focus on job roles with previously-identified recruitment and retention challenges and the effect of salary increases, or lack thereof, on recruitment and retention. This information should be included in a biennial report to the governor and the House Appropriations and Senate Finance committees at the end of August prior to the first year of every new biennial budget. (Recommendation 6)

Agency-level compensation decisions ► The General Assembly may wish to consider including language in the Appropriation Act granting agencies the option to increase individual employee salaries by different percentages, within the total amount appropriated for salary increases for each job role. The Appropriation Act should require the Department of Human Resource Management to specify, through policy, the factors that agencies should consider when determining salary increases for individual employees. These factors should include experience, job responsibilities, and performance. (Recommendation 7)

**Performance-based pay** ➤ The General Assembly may wish to consider including language in the Appropriation Act (i) directing the Department of Human Resource Management (DHRM) to establish guidelines for performance-based pay models and (ii) allowing agencies to implement performance-based pay models within the guidelines established by DHRM. (Recommendation 8)

#### COMMUNITY COLLEGES

Operations and Performance of the Virginia Community College System, 2017

**Dual enrollment** ➤ The General Assembly may wish to include language in the Appropriation Act to require the state's public four-year institutions of education to report, for dual enrollment students, (i) the total number of dual enrollment credits on students' transcripts, (ii) the total number of those credits that were accepted for credit by the institutions, and (iii) whether the credits were applied to elective requirements, program requirements, or other requirements. This information should be reported to the State Council of Higher Education for Virginia (SCHEV) and the Virginia Community College System (VCCS) at the end of the 2017-18 academic year and in subsequent years as necessary to help improve the quality of dual enrollment courses and the state's dual enrollment policies. VCCS and SCHEV should use this information to identify dual enrollment courses that are not routinely accepted for credit. (Recommendation 7)

**Dual enrollment** ► The General Assembly may wish to consider creating a financial assistance grant program to help high school teachers obtain the necessary credentials to teach dual enrollment courses. (Recommendation 11)

Workforce Credentials Grant ► The Virginia General Assembly may wish to amend the Code of Virginia to (i) clarify that Workforce Credentials Grant (WCG) funds be prioritized for, though not limited to, credentials for which there is a documented unmet employer demand; and (ii) permit colleges to use a portion of their WCG funds to address the infrastructure or personnel challenges associated with program development or expansion if these challenges cannot be financed through other resources. (Recommendation 20)

#### STATE CONTRACTING

#### Development and Management of State Contracts in Virginia, 2016

**Small business preference** The General Assembly may wish to include language in the Appropriation Act directing the Department of General Services and the Department of Small Business and Supplier Diversity to collect data on awards made through competitive negotiations. The departments should use the data to evaluate the impact of the small business criterion on agencies' use of certified small businesses, as well as on procurement more broadly, to determine whether the 20 percent criterion weight requirement should be adjusted or eliminated. (Recommendation 4)

**High-risk contracts** ➤ The General Assembly may wish to consider amending the Code of Virginia to add a definition of high-risk contracts and require that, before execution, all contracts that meet the definition of high risk be reviewed and approved by the Office of the Attorney General (all contracts), the Department of General Services (contracts for goods and non-professional and professional services that are not for information technology or road construction or design), and the Virginia Information Technologies Agency (IT contracts). (Recommendation 16)

High-risk contracts ► The General Assembly may wish to include language in the Appropriation Act directing the Department of General Services (DGS) and the Virginia Information Technologies Agency (VITA) to (i) develop a comprehensive training program on the effective administration of contracts and (ii) modify their statewide procurement policy manuals to require the training for all agency staff who have primary responsibility for administering contracts identified as high risk. The language should direct DGS and VITA to develop an estimate of the cost of administering the program. (Recommendation 18)

High-risk contracts ► The General Assembly may wish to include language in the Appropriation Act to require the Department of General Services, the Virginia Information Technologies Agency, and the Office of the Attorney General to collaborate on the development of a central database to collect information about high-risk state contracts. The information aggregated should be quantifiable, objective, and applicable to all contracts, so that it can be used to track the performance of high-risk contracts. The system would also act as a repository of documentation related to the performance of all vendors. The departments should provide a report to the House Appropriations and the Senate Finance Committees no later than September 1, 2017, that includes recommendations for the design of the system, implementation considerations, and a description of the resources that will be necessary to develop and implement it. (Recommendation 30)

#### WATER RESOURCES

#### Water Resource Planning and Management, 2016

Water withdrawal reporting ➤ The General Assembly may wish to consider amending § 62.1-44.38 of the Code of Virginia to (i) clarify that reporting water withdrawal information would not alter the status of existing exemptions from permitting under the Virginia Water Protection program and (ii) authorize the State Water Control Board to impose a civil penalty for failure to report water withdrawal information (as required under § 62.1-44.38) on users of water from the river and stream segments at greatest risk of shortfall. (Recommendation 5)

**Regional water planning** ► The General Assembly may wish to consider amending § 62.1-44.38:1 of the Code of Virginia to require the State Water Control Board to designate regional water planning areas based on (i) primary source of water, (ii) local jurisdictional boundaries, (iii) geographic proximity, (iv) existing regional groups that have already developed water resource plans, (v) existing regional entities, and (vi) other appropriate factors. (Recommendation 6)

**Regional water planning** ➤ The General Assembly may wish to consider amending § 62.1-44.38:1 of the Code of Virginia to direct the State Water Control Board to require regional water planning groups to (i) evaluate potential projects using standardized criteria developed by the Board; (ii) identify a workable and cost-effective water supply strategy; and (iii) decide on a course of action to address the region's water supply needs. (Recommendation 8)

**Regional water planning** ➤ The General Assembly may wish to consider amending § 62.1-44.38:1 of the Code of Virginia to require that, when regional water plans are completed, the Virginia Department of Environmental Quality report to the State Water Commission on the extent to which each regional plan (i) identifies a workable and cost-effective water supply strategy and (ii) reflects adequate regional cooperation. (Recommendation 9)

State water plan ➤ The General Assembly may wish to consider amending § 62.1-44.38:1 of the Code of Virginia to require the Virginia Department of Environmental Quality to use the state water plan to clearly articulate how the state will (i) facilitate regional planning and (ii) provide planning, policy, and technical assistance to each region, differentiated according to each region's sustainability problems, existing resources, and other factors. (Recommendation 10)

Regional water planning ➤ The General Assembly may wish to include language in the Appropriation Act directing the Virginia Department of Environmental Quality to assess and report on additional resources needed to facilitate regional planning and provide differentiated regional assistance. The report should be submitted to the State Water Commission, House Appropriations, and Senate Finance Committees no later than July 1, 2017. (Recommendation 11)

Water permitting ➤ The General Assembly may wish to consider amending the Groundwater Management Act (§§ 62.1-254 through 62.1-270 of the Code of Virginia) to require that the State Water Control Board issue permits for groundwater withdrawals for non-human consumptive uses only after meeting permit requests for human consumptive needs. (Recommendation 12)

Water permitting ► The General Assembly may wish to consider amending the Groundwater Management Act (§§ 62.1-254 through 62.1-270 of the Code of Virginia) to require that the State Water Control Board reduce permitted withdrawal amounts for non-human consumptive use as necessary to provide permit capacity to meet human consumptive needs. (Recommendation 13)

Water permitting ► The General Assembly may wish to consider amending the Groundwater Management Act (§§ 62.1-254 through 62.1-270 of the Code of Virginia) to establish a limit on the proportion of overall permitted withdrawal capacity to be granted to an individual permit holder in the coastal aquifer. (Recommendation 14)

Water permitting ► The General Assembly may wish to consider including language in the Appropriation Act directing the State Water Control Board to create an advisory panel to recommend amendments to § 62.1-44.15:20 of the Code of Virginia that would clarify (i) the conditions under which grandfathered users of surface water would be required to obtain a Virginia Water Protection permit and (ii) the criteria to be used to determine the amount of surface water to be permitted to grandfathered users. (Recommendation 19)

Water permitting ► The General Assembly may wish to consider including language in the Appropriation Act directing the State Water Control Board to create an advisory panel to clarify whether and how the definition of safe yield should be changed in the Virginia Administrative Code. (Recommendation 20)

Regional water planning ► The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Environmental Quality to develop a proposal for providing additional water planning assistance, to include (i) planning and policy guidance for projects with cross-jurisdictional impact and (ii) technical assistance for localities that lack technical resources and expertise in project identification, planning, and construction. The proposal, which should include an assessment of the feasibility of and resources needed to perform this new function, should be submitted to the State Water Commission and House Appropriations and Senate Finance Committees no later than July 1, 2017. (Recommendation 21)

**Regional water planning** ► The General Assembly may wish to consider including language in the Appropriation Act directing the State Water Commission to evaluate the establishment of a fund to provide (i) incentives for regional collaboration in water planning and (ii) financing for regional water projects. (Recommendation 22)

**OPTION Water permitting** ► The General Assembly could amend the Code of Virginia to establish statutory authority for a user fee for water withdrawn from the coastal aquifer. (Option 1)

**OPTION Water permitting** ► The General Assembly could amend the Code of Virginia to establish statutory authority for a priority system to award groundwater withdrawal permits to industrial users likely to have the greatest economic benefit. (Option 2)

#### VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP

Management & Accountability of the VEDP, 2016

State economic development board ▶ The General Assembly may wish to consider amending the Code of Virginia to establish a Board of Economic Development, whose purpose is to provide ongoing and systematic planning, advice, and direction for the state's economic development system to improve coordination of activities and its efficiency and effectiveness. Membership of the Board of Economic Development should include a representative from each of the secretariats responsible for agencies with economic development programs, at least one member of the House of Delegates, at least one member of the Senate, one director of a local economic development organization, and one director of a regional economic development organization. The Board of Economic Development should be a policy board, as defined in § 2.2-2100, and have full-time, independent staff for the purposes of executing its responsibilities. (Recommendation 28)

**State economic development board** ► The General Assembly may wish to consider including language in the Appropriation Act to fund a full-time, independent staff for the purposes of supporting the Board of Economic Development in fulfilling its responsibilities. The Department of Planning and Budget should assist in determining the number of staff necessary to provide this support. (Recommendation 29)

State economic development board ► The General Assembly may wish to consider including language in the Appropriation Act to direct state agencies to collaborate with the Board of Economic Development to develop and define standard categories of economic development program activities to use when tracking economic development program expenditures and reporting these expenditures to the Board of Economic Development. The General Assembly may wish to consider amending the Code of Virginia to require state agencies and encourage regional and local entities to adopt these categories. (Recommendation 30)

State economic development board ► The General Assembly may wish to consider amending the Code of Virginia to establish a State, Regional, and Local Advisory Team tasked with advising the Board of Economic Development on opportunities to improve the coordination, efficiency, and effectiveness of the state's economic development system. The State, Regional, and Local Advisory Team should provide advice to the Board of Economic Development on how to adapt economic development strategies to reflect changes in Virginia's regions and industries. The Advisory Team should be appointed by the Board of Economic Development and include the directors of state agencies engaged in economic development (minimum of 6), directors of regional economic development organizations (minimum of 4), directors of local economic development organizations (minimum of 4), and representatives of the business community (minimum of 4). One regional and one local director should also be appointed to the Board of Economic Development. (Recommendation 31)

#### **K-12 EDUCATION**

#### Efficiency and Effectiveness of K-12 Spending, 2015

**Facilities management** ► The General Assembly may wish to consider appropriating funds for the Virginia Department of Education to employ up to three additional staff to provide guidance and assist school divisions in sharing information about facilities management best practices. (Recommendation 3)

**Transportation management** ➤ The General Assembly may wish to consider appropriating funds for the Virginia Department of Education to employ up to three additional staff to provide guidance and assist school divisions in sharing information about transportation management best practices. (Recommendation 6)

**OPTION Teacher training and support** ► The General Assembly could appropriate funds for the Virginia Department of Education to employ additional staff to provide teacher training and curriculum development support to the school divisions that would most benefit from state assistance. (Option 2)

#### **MEDICAID**

#### Eligibility Determination in Virginia's Medicaid Program, 2015

Funding of local DSS offices ➤ The General Assembly may wish to consider including language in the Appropriation Act to direct the Virginia Department of Social Services to develop an objective and data-driven formula for the allocation of state administrative funding to local departments of social services that reflects workload, ability to pay, and other factors that affect performance. (Recommendation 14)

#### **DEPARTMENT OF MOTOR VEHICLES**

#### Assessing the Performance of Virginia's DMV, 2015

Wait times ▶ The General Assembly may wish to consider including language in the Appropriation Act to require the Department of Motor Vehicles to develop a proposal to reduce wait times at high volume customer service centers. In developing this proposal, the Department of Motor Vehicles should estimate the costs and benefits associated with options such as (i) closing or regionalizing customer service centers with low customer volume and short wait times that are located near other customer service centers and reallocating resources; (ii) building additional capacity by expanding existing customer service centers, building new ones, or adding DMV Select locations; (iii) installing self-service kiosks; and (iv) expanding the types of transactions for which customers can receive discounts for using alternative services. The Department of Motor Vehicles should submit its proposal to the House and Senate Transportation Committees, the House Appropriations Committee, and the Senate Finance Committee by November 1, 2016. (Recommendation 4)



### JLARC.VIRGINIA.GOV

919 East Main St. Suite 2101 Richmond, VA 23219