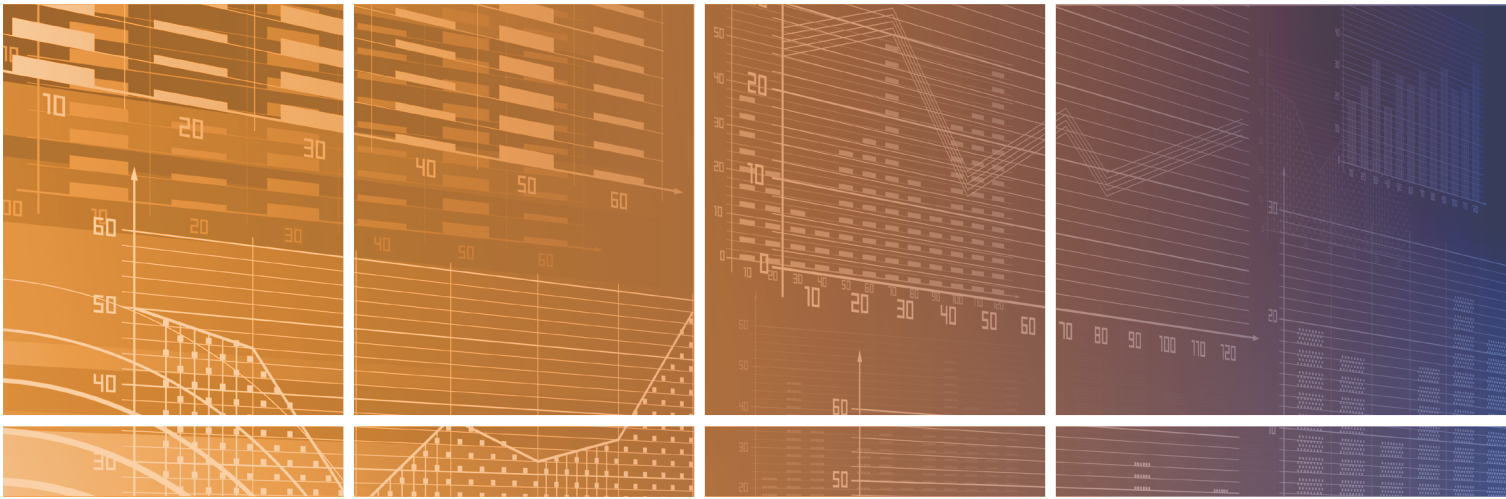


# Recommendations for Legislative Action

2017 to 2020



## **Joint Legislative Audit and Review Commission**

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### **Director**

Hal E. Greer

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## Recommendations for Legislative Action 2017 to 2020

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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 is likely to improve the efficiency or effectiveness of a program. JLARC staff also propose policy options when the action is a policy judgment best made by elected officials, evidence suggests action could potentially be beneficial, or a report finding could be addressed in multiple ways.

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

New legislative recommendations from 2020 reports that have been presented through October are listed first. Recommendations from 2017 through 2019 are included only if they have not already been implemented through legislation.



# K-12 EDUCATION

## *Operations and Performance of the Virginia Department of Education, 2020*

### RECOMMENDATIONS

**Comprehensive supervision of school divisions** ► The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Education to implement a pilot program to more comprehensively supervise school division compliance with a subset of key standards by requiring (i) the submission of more comprehensive compliance information, (ii) selective independent verification of compliance, (iii) monitoring of corrective action implementation, and (iv) analysis of compliance trends and issues. The department should conduct the pilot program during the 2021–2022 school year and submit a report on the results to the Board of Education and House Education and Appropriations committees and Senate Education and Health and Finance and Appropriations committees by November 30, 2022. (Recommendation 3)

**Strengthening Virginia’s school improvement program** ► The General Assembly may wish to consider appropriating additional funding for new staff positions in the Virginia Department of Education’s Office of School Quality to strengthen its work with school divisions in the school improvement program. (Recommendation 9)

**Responsibility for Virginia’s school improvement program** ► The General Assembly may wish to consider amending § 22.1-23 of the Code of Virginia to direct the superintendent of public instruction to (i) develop and implement an effective school improvement program, (ii) identify measures to evaluate the effectiveness of the services the Office of School Quality provides to school divisions, (iii) evaluate and make changes as needed to ensure effectiveness, and (iv) annually report to the Board of Education. (Recommendation 10)

**Support for teacher recruitment and retention** ► The General Assembly may wish to consider amending § 22.1-305.2 of the Code of Virginia to direct the Advisory Board on Teacher Education and Licensure to advise the Board of Education on policies related to helping school divisions more effectively recruit and retain licensed teachers. (Recommendation 15)

### POLICY OPTIONS

**Additional staff for comprehensive school division supervision pilot program** ► The General Assembly could appropriate additional funding for up to two new staff positions to design and implement a pilot program for more comprehensive supervision of a subset of key state education standards. (Option 1)

**Additional staff for teacher recruitment and retention support ►** The General Assembly could appropriate additional funding for three new staff positions in the Office of Teacher Education to strengthen its role in helping school divisions with the most substantial teacher recruitment and retention challenges. (Option 4)

**Virginia Board of Education membership ►** The General Assembly could amend § 22.1-9 of the Code of Virginia to require that the Board of Education include (i) one member with expertise or experience in local government leadership or policymaking, (ii) one member with expertise or experience in career and technical education, and (iii) one member with expertise or experience in early childhood education. (Option 5)

**Virginia Board of Education membership ►** The General Assembly could amend § 22.1-9 of the Code of Virginia to require the Board of Education to include members that represent at least five of the state's eight superintendent regions. (Option 6)

## **ASSISTANCE FOR SMALL AND MINORITY-OWNED BUSINESSES**

### *Operations and Performance of the Department of Small Business and Supplier Diversity, 2020*

#### **RECOMMENDATIONS**

**Improving Virginia's Business One Stop ►** The General Assembly may wish to consider including language in the Appropriation Act directing the Department of Small Business and Supplier Diversity (SBSD) to develop and submit a detailed improvement plan for the Business One Stop. The plan should include the following for each statutory requirement: (i) a description of the purpose and benefit to small businesses, (ii) the cost of fully implementing and maintaining the requirement, (iii) the resources needed beyond those currently available to implement and maintain the requirement, and (iv) SBSD's recommendation as to whether the requirement should be kept. The plan should be provided to the House Labor and Commerce, and Appropriations committees; and Senate Commerce and Labor, and Finance and Appropriation committees no later than November 1, 2021. (Recommendation 5)

**Virginia Small Business Financing Authority Board membership ►** The General Assembly may wish to consider requiring the majority of citizen members of the Virginia Small Business Financing Authority Board to possess small business lending experience. (Recommendation 13)

## POLICY OPTIONS – VIRGINIA’S SMALL BUSINESS DEFINITION

*Note: JLARC staff reviewed and analyzed several options for the General Assembly to consider if it wants to change Virginia’s small business definition. The options are listed below and detailed in chapter 5 of the report.*

- ▶ The General Assembly could amend §2.2-4310 and §2.2-1604 of the Code of Virginia to change the small business definition to businesses that have no more than 250 employees and gross receipts of no more than \$10 million. (Option 5)
- ▶ The General Assembly could amend §2.2-4310 and §2.2-1604 of the Code of Virginia to change the small business definition by reducing the number of employees and gross receipts that a business may have to qualify as a small business. (Option 6)
- ▶ The General Assembly could amend §2.2-4310 and §2.2-1604 of the Code of Virginia to direct that a small business definition be developed for each industry, with thresholds for number of employees or gross receipts, or both, that are based on the size characteristics of Virginia businesses in that industry. (Option 7)
- ▶ The General Assembly could amend §2.2-4310 and §2.2-1604 of the Code of Virginia to direct that a small business definition be developed that is set at 50 percent of the federal small business definition for each industry. (Option 8)
- ▶ The General Assembly could amend §2.2-4310 and §2.2-1604 of the Code of Virginia to direct that a small business definition be developed for groupings of industries based on size and types of goods and services state agencies purchase. (Option 9)

## POLICY OPTION

**Workgroup to review procurement preferences and small business definition** ▶ The General Assembly could consider authorizing in the Appropriation Act an executive branch workgroup to consider whether and how to adjust the (i) state’s procurement preferences for businesses (including women and minority ownership if the disparity study concludes doing so may be permissible), and (ii) state’s definition of small business. The workgroup could be required to submit proposed legislative changes to the House General Laws Committee, Senate General Laws and Technology Committee, and Small Business Commission by November 1, 2021. (Option 10)

## STATE IT INFRASTRUCTURE SERVICES

### *Update on VITA's Implementation of a Multi-Supplier Service Model, 2020*

#### RECOMMENDATION

**Adequacy of network infrastructure** ► The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Information Technologies Agency (VITA) to report annually on whether network infrastructure is adequate to meet the needs of state agencies. The report should specify any needed upgrades to network infrastructure maintained by VITA or its customer agencies. VITA should submit the report to the Joint Legislative Audit and Review Commission, Senate Finance and Appropriations Committee, and House Appropriations Committee by November 1 of each year. (Recommendation 3)

## ECONOMIC DEVELOPMENT INCENTIVES

### *Infrastructure and Regional Incentives, 2020*

#### RECOMMENDATIONS

**Eliminating coalfield tax credit** ► The General Assembly may wish to consider eliminating the Coalfield Employment Enhancement Tax Credit. (Recommendation 1)

**Eliminating coal production tax credit** ► The General Assembly may wish to consider eliminating the Coal Production and Employment Incentive Tax Credit. (Recommendation 2)

**Real Property Investment Grant eligibility** ► If the General Assembly decides to maintain the Real Property Investment Grant, it may wish to consider amending § 59.1-548 of the Code of Virginia to restrict awards to projects in higher multiplier, export-base industries or to projects that would contribute to community revitalization. (Recommendation 4)

**Road access grant program criteria** ► The General Assembly may wish to consider amending § 33.2-1509 of the Code of Virginia to direct the Commonwealth Transportation Board, in consultation with the Secretary of Transportation and Secretary of Commerce and Trade, to develop guidelines and criteria for awarding grants from the Economic Development Access Program that include provisions for the number of jobs, capital investment, or other relevant criteria, in addition to the existing export-base requirement. (Recommendation 12)

**Road access grant program administration** ► The General Assembly may wish to consider amending § 33.2-1509 of the Code of Virginia to remove the requirement for the Virginia Economic Development Partnership to consult with the Department of Small Business and Supplier Diversity to determine if projects seeking an award from the Economic Development Access Program are basic employers. (Recommendation 16)

## **POLICY OPTIONS**

**Eliminating the Real Property Investment Grant** ► The General Assembly could consider eliminating the Real Property Investment Grant by repealing § 59.1-548 of the Code of Virginia. (Option 1)

**Criteria for recapturing road and rail access program grant awards** ► The General Assembly could consider amending the Code of Virginia to require that job creation performance be one of the factors considered to determine if grant awards from the Economic Development Access Program and Rail Industrial Access Program should be recaptured. (Option 3)

## *Data Center and Manufacturing Incentives, 2019*

## **RECOMMENDATIONS**

**Data centers in distressed areas** ► The General Assembly may wish to consider amending § 58.1-609.3 of the Code of Virginia to further reduce or remove the minimum job creation requirement of the sales and use tax exemption for data centers locating in a distressed area or an enterprise zone. (Recommendation 1)

**Data center work group** ► The General Assembly may wish to consider including language in the Appropriation Act directing the Secretary of Finance to convene a work group consisting of the Secretaries of Transportation, Commerce and Trade, and Administration; the staff directors of the House Appropriations Committee and Senate Finance Committee, or their designee; and other relevant agency stakeholders to conduct a data center industry study to examine actions that could be taken to maintain the state's competitive position to attract data centers and examine whether the opportunity exists to reduce the level of the exemption without adversely affecting industry growth. (Recommendation 2)

**Impact of data center exemption ►** The General Assembly may wish to amend § 58.1-609.3 of the Code of Virginia to require that (1) all data centers using the data center sales and use exemption be required to submit an annual report including their employment level, capital investment, and tax benefit to the Virginia Economic Development Partnership (VEDP) and (2) the Department of Taxation (TAX), in consultation with VEDP, publish an annual report on the data center exemption which should include, at a minimum, aggregate information on qualifying expenses that were exempt from the retail sales and use tax and the total value of the tax benefit. (Recommendation 3)

**Alignment of custom grants with targets and plans ►** The General Assembly may wish to consider amending § 30-312 of the Code of Virginia to require that information on how custom grants align with state and regional target industries and strategic economic development plans be included in the annual report of the Major Employment and Investment Project Approval Commission. (Recommendation 5)

**Eliminating green jobs and energy tax credits ►** The General Assembly may wish to consider eliminating the Green Job Creation Tax Credit and the Biodiesel and Green Diesel Fuel Producers Tax Credit. (Recommendation 8)

## **POLICY OPTION**

**Pollution control equipment exemption ►** The General Assembly could amend § 58.1-609.3 or § 58.1-3660 of the Code of Virginia to clarify that the equipment or facility does not need to be constructed before certification can be granted for purposes of claiming the Pollution Control Equipment and Facilities Sales Tax Exemption. (Option 1)

*Note: The 2020 General Assembly (HB 1173) implemented this option for pollution control equipment used in a locality's water, storm-water, wastewater, or solid waste management facilities, but the law does not apply to other pollution control equipment.*

## ***Workforce and Small Business Incentives, 2018***

### **RECOMMENDATIONS**

**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. (Recommendation 1)

*Note: This recommendation previously also applied to the Small Business Job Grant. However, the 2020 General Assembly (HB 1505) eliminated the Small Business Job Grant.*

**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)

## **POLICY 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*

## **RECOMMENDATION**

**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)

## **POLICY OPTIONS**

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

**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)

# WORKERS' COMPENSATION AND DISEASE PRESUMPTIONS

## *Virginia's Workers' Compensation System and Disease Presumptions, 2019*

### RECOMMENDATIONS

**Timeliness of insurers' compensability decisions ►** The General Assembly may wish to consider including language in the Appropriation Act to direct the Virginia Workers' Compensation Commission to report annually on (i) the extent to which workers' compensation insurers, including those employers who are self-insured, are making compensability determinations and notifying workers of their decisions in a timely manner after receiving notice of work-related injuries and diseases and (ii) actions taken by VWC to ensure the timeliness of these decisions. The first report should be submitted by VWC to the House Appropriations and Senate Finance committees no later than June 30, 2022. (Recommendation 8)

**Appealing insurers' denial of workers' compensation benefits ►** The General Assembly may wish to consider amending the Code of Virginia to require workers' compensation insurers, including those employers who are self-insured, to include a notice in any letter denying workers' compensation benefits that the injured worker has a right to dispute the claim denial through the Virginia Workers' Compensation Commission (VWC). The notice should indicate (i) VWC's neutral role within the workers' compensation system to adjudicate disputed claims; (ii) the need to file a claim for benefits with VWC within the applicable statute of limitations; and (iii) contact information for VWC. (Recommendation 13)

**Comparing medical costs with Medicare reimbursement rates ►** The General Assembly may wish to consider amending § 65.2-605.2 of the Code of Virginia to authorize and direct the Virginia Workers' Compensation Commission (VWC) to include in its existing biennial reviews of Virginia's workers' compensation medical costs a comparison of Virginia's medical fees to Medicare reimbursement rates for the same services in Virginia. (Recommendation 17)

**Scientific review of proposed disease presumptions ►** The General Assembly may wish to consider amending Title 65.2 of the Code of Virginia to establish a process for reviewing the scientific research on proposed new presumptions or modifications to existing presumptions under the Virginia's Workers' Compensation Act prior to legislative action, with consideration given to (i) the strength of the association between the occupation and the disease and the relevant hazards to which workers in the occupation are exposed and (ii) the relevance, quality, and quantity of the literature and data available to determine the strength of evidence. (Recommendation 19)

**Disease presumption eligibility ►** The General Assembly may wish to consider amending § 65.2-402 of the Code of Virginia to clarify that, for the purposes of establishing the presumptions, (i) a total or partial disability may be demonstrated through wage loss, lost work time, or medical evidence and that (ii) workers seeking only medical benefits may demonstrate a total or partial disability solely through medical evidence. (Recommendation 21)

#### **POLICY OPTION**

**Sunset date for certain disease presumptions ►** The General Assembly could consider amending § 65.2-402 of the Code of Virginia to specify that the presumptions for breast, colon, ovarian, and pancreatic cancers covered by the statute shall not apply to workers' compensation claims submitted after June 30, 2030. Prior to June 30, 2030, the General Assembly could direct an examination of the latest national research on the association between firefighting and these cancers. (Option 3)

## **OFFICE OF THE STATE INSPECTOR GENERAL**

### *Operations and Performance of the Office of the State Inspector General, 2019*

#### **RECOMMENDATION**

**Behavioral health oversight ►** The General Assembly may wish to consider including language in the Appropriation Act to direct the Office of the State Inspector General (OSIG) to develop and implement a plan to conduct system-level oversight of the quality of care and safety across Department of Behavioral Health and Developmental Services facilities and community-based providers. The plan should set forth the primary oversight activities that OSIG plans to undertake, as well as the number of additional staff positions and types of expertise necessary to carry out these activities. OSIG should submit the plan to the House Appropriations and Health, Welfare and Institutions Committees, and the Senate Finance and Education and Health Committees no later than June 30, 2020. (Recommendation 11)

#### **POLICY OPTION**

**Future JLARC review ►** The General Assembly could direct staff with the Joint Legislative Audit and Review Commission to conduct a follow-up review of the Office of the State Inspector General performance audit program after FY24 to determine whether the scaled-back program has been successful. (Option 1)

## LOCAL AND REGIONAL JAILS

### *State Oversight of Local and Regional Jails, 2019*

#### RECOMMENDATION

**Transferring inspection staff** ► The General Assembly may wish to consider including language in the Appropriation Act transferring current Department of Corrections jail inspection staff positions—and the funding to employ them—to the Board of Corrections. (Recommendation 8)

## BEHAVIORAL HEALTH

### *Implementation of STEP-VA, 2019*

#### RECOMMENDATIONS

**Extending implementation deadline** ► The General Assembly may wish to consider amending clause 3 of Chapter 607 of the 2017 Acts of Assembly to require community services boards to initiate the provision of all STEP-VA services by July 1, 2022. (Recommendation 8)

**STEP-VA planning** ► The General Assembly may wish to consider including language in the Appropriation Act (i) directing the Department of Behavioral Health and Developmental Services (DBHDS) to submit requirements, performance measures, and funding allocation plans for each of the remaining steps of STEP-VA to the staff and chairs of the House Appropriations and Senate Finance committees, the Secretary of Health and Human Resources, and the Secretary of Finance, and (ii) directing the Department of Accounts to withhold appropriated funds for each of the remaining steps of STEP-VA until DBHDS and the community services boards demonstrate that planning is complete, including requirements, performance measures, and funding allocation plans. (Recommendation 10)

## *CSB Funding, 2019*

### **POLICY OPTION**

**Funding allocation strategy ►** The General Assembly could consider including language in the Appropriation Act (i) establishing specific objectives for the extent to which funding that the Department of Behavioral Health and Developmental Services (DBHDS) allocates to community services boards (CSBs) should support consistent services statewide versus services that address each community's needs and (ii) directing DBHDS, in collaboration with the CSBs, to develop and submit a proposed funding allocation strategy to meet these objectives to the Joint Subcommittee on Mental Health Services in the Twenty-First Century. (Option 1)

## **STATE LEGAL SERVICES**

### *Operations and Performance of the Office of the Attorney General, 2019*

### **RECOMMENDATION**

**Dedicated client services position ►** The General Assembly may wish to consider including funding and language in the Appropriation Act directing the Office of the Attorney General to create a permanent, full-time director of client services position. (Recommendation 5)

## **GAMING REGULATIONS**

### *Gaming in the Commonwealth, 2019*

### **RECOMMENDATIONS**

**Evaluating gambling prevention and treatment efforts ►** The General Assembly may wish to consider including in any legislation authorizing additional forms of gaming a requirement that the Department of Behavioral Health and Developmental Services contract with a university or other expert to conduct an ongoing evaluation of problem gambling in Virginia and the effectiveness of the state's prevention and treatment efforts. (Recommendation 3)

**Evaluation committee for casino proposals ►** The General Assembly may wish to consider including a provision in any casino authorizing legislation that establishes a committee to evaluate and select proposals for the operation and development of casinos, and which comprises individuals with business, finance, and operations experience and who represent both the statewide and local perspectives. (Recommendation 7)

**Independent consultant to review casino proposals ►** The General Assembly may wish to consider including a requirement in any casino authorizing legislation that an independent consultant, hired by the state, assess the accuracy and reasonableness of the projected financial, economic, and other benefits included in casino development proposals prior to selecting a winning proposal. (Recommendation 8)

## **POLICY OPTIONS**

**Collaboration between behavioral health providers and gaming operators ►** The General Assembly could include in any legislation authorizing additional forms of gaming a requirement that the Department of Behavioral Health and Developmental Services and Virginia's gaming oversight agency establish and coordinate a stakeholder group to enable collaboration among prevention and treatment providers and gaming operators. (Option 1)

**Licensing nongaming employees and vendors ►** The General Assembly could consider including language in any casino authorizing legislation a requirement that nongaming vendors and nongaming employees be licensed by the gaming oversight agency. (Option 3)

**Potential gaming oversight consolidation ►** The General Assembly could consider including language in any casino authorizing legislation that requires an evaluation of the roles, responsibilities, and performance of all Virginia gaming oversight agencies after additional forms of gaming have been implemented to determine whether any consolidation of gaming oversight responsibilities is warranted. (Option 4)

# **WILDLIFE CONSERVATION AND ENFORCEMENT**

## ***Operations and Performance of the Department of Game and Inland Fisheries, 2019***

## **RECOMMENDATION**

**Board of Game and Inland Fisheries membership ►** The General Assembly may wish to consider amending §29.1-102.A of the Code of Virginia to require that at least one member of the Board of Game and Inland Fisheries be a current or former senior law enforcement official. (Recommendation 10)

## **POLICY OPTIONS**

**Boat registration fees ►** The General Assembly could include language in the Appropriation Act granting the Board of Game and Inland Fisheries temporary authority to increase boat registration fees by more than the \$5 every three years specified in §29.1-701.1 of the Code of Virginia. (Option 2)

**Fees for exempt hunters and anglers ►** The General Assembly could amend §29.1-301 of the Code of Virginia to authorize the Board of Game and Inland Fisheries to charge exempt hunters and anglers a nominal registration fee of several dollars, thereby allowing Virginia to claim forgone federal revenue. (Option 4)

## **FOSTER CARE**

### *Improving Virginia's Foster Care System, 2018*

#### **RECOMMENDATIONS**

**Child health and safety ►** The General Assembly may wish to include language in the Appropriation Act directing the Virginia Department of Social Services to thoroughly review all the information collected through the agency case reviews conducted in 2017 and 2018 by regional staff, re-communicate all serious case-specific or systemic safety-related concerns identified in past reviews to the relevant departments of social services, communicate such concerns to the relevant local boards of social services, and work with local department staff to resolve all identified safety problems. The commissioner should be directed to submit a letter to the House Health, Welfare and Institutions Committee and the Senate Rehabilitation and Social Services Committee certifying that all safety-related concerns identified in the 2017 and 2018 reports have been resolved no later than November 1, 2019. (Recommendation 1)

**Creation of Kinship Guardian Assistance program ►** The General Assembly may wish to amend § 63.2-1305 of the Code of Virginia to create a state-funded Kinship Guardianship Assistance program that waives the requirement for potential guardians to serve as a licensed foster parents for six consecutive months and limit eligibility for this program to children who are least likely to be placed in a permanent home or who have been in foster care for an extended period of time. (Recommendation 15)

**Placing children in a more timely manner ►** The General Assembly may wish to include language in the Appropriation Act directing the Supreme Court of Virginia to evaluate the feasibility, costs, and effectiveness of the following options to expedite the appeals process for termination of parental rights (TPR) cases: (i) designate juvenile and domestic relations courts as courts of record for TPR hearings and send appeals directly to the court of appeals; (ii) originate TPR hearings in circuit courts; (iii) shorten the 90-day deadline for circuit courts to hold TPR hearings; (iv) establish a deadline for the court of appeals to hold TPR hearings; and (v) any other options that could expedite the appeals process for TPR cases. The executive secretary of the Supreme Court of Virginia should submit the results of this evaluation to the House and Senate Courts of Justice Committees; the House Health, Welfare and Institutions Committee; and the Senate Rehabilitation and Social Services Committee by November 1, 2020. (Chapter 4) (Recommendation 18)

# INMATE HEALTH CARE

## *Spending on Inmate Health Care, 2018*

### RECOMMENDATIONS

**Reimbursement rates** ► The General Assembly may wish to include language in the Appropriation Act directing the Virginia Department of Corrections (VADOC) to design a pilot project that would test the feasibility and assess the impact of using lower rates, potentially based on Medicare rates, for physician and outpatient services. VADOC should submit the pilot project design to the House Appropriations and Senate Finance Committees, and implement the pilot project no later than 2021. (Recommendation 1)

**Enhanced academic partnerships** ► The General Assembly may wish to include language in the Appropriation Act directing the Virginia Department of Corrections and the VCU Health Authority to undertake a pilot project to provide clinical pharmacy services to a specific population of inmates. (Recommendation 3)

### POLICY OPTION

**Reducing number of inmates requiring health care** ► The General Assembly could amend Title 53.1 of the Code of Virginia to allow inmates to petition the Virginia Parole Board for conditional release based on serious illness. (Option 1)

# ELECTIONS ADMINISTRATION

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

### RECOMMENDATION

**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)

### POLICY 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*

### RECOMMENDATIONS

**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)

**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)

# EARLY CHILDHOOD DEVELOPMENT PROGRAMS

## *Improving Virginia's Early Childhood Development Programs, 2017*

### RECOMMENDATIONS

**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)

## POLICY OPTIONS

**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)

**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)

**Incentives for high-quality care** ► 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)

**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*

#### RECOMMENDATIONS

**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)

**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*

#### RECOMMENDATION

**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)





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