

Recommendations for Legislative Action

2013 to 2016



Joint Legislative Audit and Review Commission

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Recommendations for Legislative Action 2013 to 2016

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 2016 reports are listed first. Recommendations from 2013 through 2015 are included only if they have not already been implemented through legislation.

WATER RESOURCES

Water Resources Planning and Management, 2016

Groundwater monitoring The General Assembly may wish to consider including language in the Appropriation Act directing the Virginia Department of Environmental Quality to identify high priority locations for additional sites for monitoring land subsidence, salt concentration, and groundwater level. Priority should be assigned based on (i) high potential to improve the accuracy of the state's modeling predictions for land subsidence, salt concentrations, and groundwater levels, and (ii) cost-effectiveness.

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.

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.

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.

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.

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.

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.

WATER RESOURCES

Water Resources Planning and Management, 2016 – continued

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.

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.

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.

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.

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.

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.

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.

STATE CONTRACTING

Development and Management of State Contracts, 2016

Procurement data collection 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.

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).

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.

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.

MEDICAID

Eligibility Determination in Virginia's Medicaid Program, 2015

Eligibility screening The General Assembly may wish to consider including language in the Appropriation Act to direct the Departments of Medical Assistance Services and Social Services to implement a process for checking Virginia's new hire database for recent employment when data available from the Virginia Employment Commission at the time of Medicaid application or renewal does not identify wages. The Department of Medical Assistance Services should work with the Centers for Medicare and Medicaid Services to gain access to the National Directory of New Hires.

Eligibility screening The General Assembly may wish to consider including language in the Appropriation Act to direct the Departments of Medical Assistance Services and Social Services to implement a process for checking wage data from the Virginia Employment Commission six months after application or renewal, in cases where self-attestation was accepted at the time of application or renewal.

Administrative efficiency The General Assembly may wish to consider including language in the Appropriation Act to direct the Virginia Department of Social Services to make the necessary improvements to the Virginia Case Management System so that eligibility workers have the tools to manage their caseload and minimize the number of late applications.

Administrative efficiency The General Assembly may wish to consider including language in the Appropriation Act to direct the Virginia Department of Social Services to implement the necessary changes to the Virginia Case Management System so that eligibility can be determined at the time of renewal through an automated process.

Administrative capacity The General Assembly may wish to consider appropriating necessary general funds to implement the plan presented by DMAS for expanding the central processing unit to reduce the backlog of overdue renewals.

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.

Impact of Medicaid Rates on Access to Health Care, 2013

Statewide access to health care The General Assembly may wish to consider requiring the Department of Medical Assistance Services to issue an annual report on access to care for Medicaid enrollees to the Health and Human Resources Subcommittees of the House Appropriations and Senate Finance Committees, the Medicaid Innovation and Reform Commission, the Joint Commission on Health Care, and the Secretary of Health and Human Resources. The assessment should include measures of provider participation, enrollee utilization, and enrollee feedback. The report should cover a subset of Medicaid services, and every service should be reviewed at least every five years. The assessment should show trends over time and differences across geographic regions, and include a summary assessment of any services and areas where access may be relatively limited.

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.

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.

Low Performing Schools in Urban High Poverty Communities, 2014

Teacher residency programs The General Assembly may wish to consider requiring teacher residency programs receiving state funds to report annually to the House Appropriations and Senate Finance committees on the impact of their programs on student achievement in K-12 public schools.

Addressing the Cost of Public Higher Education in Virginia, 2014

Base adequacy model The General Assembly may wish to consider including language in the Appropriation Act to direct the State Council of Higher Education for Virginia (SCHEV) to update the underlying data for the base adequacy model and make additional modifications to the formula as warranted. SCHEV should ensure that future updates or revisions to base adequacy occur every six years as part of the state's strategic planning process. The update and modification to the base adequacy model should be completed in coordination with the re-basing of appropriated and actual salary averages, as recommended in JLARC's 2013 report, *Academic Spending and Workload at Virginia's Public Higher Education Institutions*.

Mandatory fees The General Assembly may wish to consider including language in the Appropriation Act to require public four-year institutions to evaluate the non-athletic services and activities funded by mandatory non-E&G fees. Institutions should be required to report the results of the evaluation to the House Appropriations and Senate Finance Committees. The report should include an inventory of each service and activity and proposed reductions in spending through improved efficiency or cutbacks in service levels, or through elimination of services or activities tangential to the academic mission.

Mandatory fees The General Assembly may wish to consider amending the Appropriation Act to remove all exemptions from the annual five percent cap on mandatory non-E&G fee growth and modify the cap to a limit of the lesser of (i) five percent or (ii) the median dollar increase in the fee across all public four-year institutions from the prior academic year.

Mandatory fees The General Assembly may wish to consider including language in the Appropriation Act to require that an institution may only exceed the annual growth cap on mandatory non-E&G fees if expressly authorized through the Act.

EDUCATION

Addressing the Cost of Public Higher Education in Virginia, 2014 – continued

Capital spending The General Assembly may wish to consider including language in the Appropriation Act to direct the State Council of Higher Education for Virginia to modify its current capital prioritization process by 2016 to (i) ensure objective analysis of institutions' capital requests and (ii) provide a statewide prioritization of higher education capital requests that may be used to determine which projects should be recommended to receive funding. It should provide the Six-Year Capital Outlay Plan Advisory Committee with a draft of the revised prioritization process for feedback and approval.

Capital spending The General Assembly may wish to consider amending the Code of Virginia to direct the State Council of Higher Education for Virginia to identify metrics on capital spending, debt, and other data of value to the capital review process and annually publish a report on how each of the 15 public four-year institutions compares across the metrics. The report should include (i) comparisons to national and regional levels of capital spending and (ii) information on the value of institutions' physical plants relative to their Carnegie classifications.

Facilities maintenance The General Assembly may wish to consider including language in the Appropriation Act to direct public institutions to submit long-term deferred maintenance plans to the Department of General Services and the Department of Planning and Budget at the start of each biennium. The plans should contain (i) a list of deferred maintenance projects ranked by relative priority, funding availability, and timeframe, and (ii) estimates of project funding levels and sources.

Financial aid The General Assembly may wish to consider amending the Code of Virginia to restrict the Virginia Student Financial Assistance Program to low- and middle-income students when program appropriations are not sufficient to fully meet these students' financial need recognized by the Partnership Model.

Academic Spending and Workload at Virginia's Public Higher Education Institutions, 2013

Faculty salaries The General Assembly may wish to consider regularly re-basing appropriated and actual average faculty salaries.

Research spending The General Assembly may wish to consider amending the Code of Virginia to direct the State Council of Higher Education for Virginia to track State funding for higher education research from all sources and develop a process for institutions to report on the progress of State-supported research projects.

WORKFORCE DEVELOPMENT

Virginia's Workforce Development Programs, 2014

Statewide program coordination The General Assembly may wish to consider including language in the Appropriation Act to direct state agencies that receive general funds for the administration of workforce development programs to collect data on the total amount of general funds spent by local entities, to distinguish between administrative and program-related expenditures, and to report data in the greatest possible detail.

Apprenticeships The General Assembly may wish to consider amending the Code of Virginia to designate the Virginia Community College System (VCCS) as the single state agency responsible for administering all aspects of the registered apprenticeship program, and to transfer these responsibilities to VCCS from the Virginia Department of Labor and Industry.

Statewide program coordination The General Assembly may wish to consider amending the Code of Virginia to delegate several responsibilities of the Board of Workforce Development to other state agencies, such as the Virginia Employment Commission and the Virginia Community College System. These responsibilities include those related to identifying the current and future workforce needs of employers and associated training requirements, reviewing and recommending industry credentials, developing Workforce Investment Act incentive grant applications, and administering the Career Readiness Certificate Program.

Statewide program coordination The General Assembly may wish to consider amending the Code of Virginia to establish the Career Pathways Workgroup as a formal advisory council to the Board of Workforce Development and direct it to develop and recommend (i) new training strategies, (ii) strategies to match trained workers with jobs, (iii) cross-agency performance measures in coordination with other agencies, and (iv) workforce development strategies for veterans.

Statewide workforce policy The General Assembly may wish to consider amending the Code of Virginia to give the Board of Workforce Development responsibility for developing new policies related to the following aspects of workforce development for those state agencies that are responsible for administering workforce programs: (i) engagement with the business community, (ii) alignment of education and workforce training opportunities with the needs of the business community, (iii) coordination and collaboration between workforce programs intended to improve the efficiency and effectiveness of workforce programs, and (iv) accountability for and transparency of the expenditures of public funds for workforce programs and programs' performance. These policies should be developed in consultation with the governor and the governing boards of those state agencies and, when appropriate, should be implemented by promulgation of regulations through those boards to ensure that these policies do not conflict with federal or state requirements specific to those state agencies and their programs. When the promulgation of regulations is unnecessary, state agencies' boards should approve the Board of Workforce Development's policies before they are adopted.

WORKFORCE DEVELOPMENT

Virginia's Workforce Development Programs, 2014 – continued

Statewide workforce policy The General Assembly may wish to consider amending the Code of Virginia to require the Chief Workforce Development Advisor to appoint to an advisory council to the board (i) representatives of the Department of Education, Virginia Employment Commission, Virginia Community College System, State Council for Higher Education in Virginia, Virginia Economic Development Partnership, Department of Aging and Rehabilitative Services, Department for the Blind and Vision Impaired, and the Department of Social Services and (ii) representatives from local entities, including staff of one or more local workforce investment boards, one or more community colleges, one or more school divisions, and one or more local economic development representatives.

VETERANS SERVICES

Operation and Performance of the Department of Veterans Services, 2015

Wait times The General Assembly may wish to consider including language in the Appropriation Act directing the Department of Veterans Services to monitor (i) the wait times of veterans who receive services through the benefits assistance program, (ii) the number of veterans who arrived at a benefits office and left without receiving assistance, and (iii) the wait times for an appointment at each office. The Department should report this information to the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations. The Department should use this information to inform resource allocation decisions and to balance staff workloads across offices.

Virginia Values Veterans The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Veterans Services to develop and submit a plan to make the Virginia Values Veterans program more effective and scalable, and less time-consuming for participants. The plan should identify (i) the measures that will be used to assess the program's impact on employer knowledge and hiring decisions and (ii) the specific value that the program provides over existing resources that are available to all companies online. The plan should be submitted to the House Appropriations and Senate Finance committees no later than November 1, 2016.

LOCAL GOVERNMENT CONSOLIDATION

Local Government and School Division Consolidation, 2014

Encouraging consolidation The General Assembly may wish to consider providing grants through the Appropriation Act to localities to assess whether consolidation is feasible, and the likelihood of improving fiscal sustainability and local services, and achieving state or local savings.

Encouraging consolidation The General Assembly may wish to amend the Code of Virginia to direct the Commission on Local Government to prepare and submit proposals through the governor's budget for additional state funding for localities that wish to consolidate. The amount of additional funding requested should be based primarily on the projected cost of the specific consolidation being proposed.

VIRGINIA PORT AUTHORITY

Virginia Port Authority's Competitiveness, Funding, and Governance, 2013

Board appointments The General Assembly may wish to consider amending the Code of Virginia to limit the Governor's authority to remove members of the Virginia Port Authority Board of Commissioners to instances of malfeasance, misfeasance, or gross neglect of duty.

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) using 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.



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