

2021 EXECUTIVE SUMMARY OF

**THE JOINT SUBCOMMITTEE ON
LOCAL GOVERNMENT FISCAL STRESS**



TO THE GENERAL ASSEMBLY OF VIRGINIA



Commonwealth of Virginia

GENERAL ASSEMBLY

RICHMOND

June 21, 2022

TO: Members of the General Assembly

Pursuant to budget language (Chapter 836, 2017 Acts of Assembly, Item 1, U.) the Joint Subcommittee on Local Government Fiscal Stress is required to submit on or before the first day of the General Assembly session an executive summary of its findings and recommendations. This Executive Summary includes the activities performed by the Joint Subcommittee, as well as recommended areas for further analysis and consideration by the Joint Subcommittee.

Thank you for accepting this submission of the Executive Summary of the Joint Subcommittee on Local Government Fiscal Stress. Documents related to the Joint Subcommittee are available on the Senate Finance and Appropriations Committee's web page (located here): <http://sfac.virginia.gov/subcommittees.shtml>

In addition, requests for further information regarding the Joint Subcommittee can be made to staff members of the Senate Finance and Appropriations Committee, House Appropriations Committee, and the Division of Legislative Services.

Sincerely,

A handwritten signature in blue ink, appearing to read "Emmett W. Hanger, Jr.", written in a cursive style.

Emmett W. Hanger, Jr., Chair

2021

**JOINT SUBCOMMITTEE ON LOCAL
GOVERNMENT FISCAL STRESS**

SENATE OF VIRGINIA

THE HONORABLE EMMETT W. HANGER, JR., CHAIR

THE HONORABLE JANET D. HOWELL

THE HONORABLE L. LOUISE LUCAS

THE HONORABLE THOMAS K. NORMENT, JR.

THE HONORABLE RICHARD L. SASLAW

HOUSE OF DELEGATES

THE HONORABLE LASHRECSE D. AIRD

THE HONORABLE BETSY B. CARR

THE HONORABLE STEPHEN E. HERETICK

THE HONORABLE DELORES L. McQUINN

THE HONORABLE ROSLYN C. TYLER

THE HONORABLE R. LEE WARE

EXECUTIVE SUMMARY

THE JOINT SUBCOMMITTEE ON LOCAL GOVERNMENT FISCAL STRESS - BACKGROUND

ENABLING AUTHORITY

(CHAPTER 836, 2017 ACTS OF ASSEMBLY; REENACTED IN CHAPTER 2, 2022 SPECIAL SESSION I, ACTS OF ASSEMBLY)

Originally established in budget language contained in Chapter 836 of the 2017 Acts of Assembly, the goals and objectives of the Joint Subcommittee on Local Government Fiscal Stress are to review the following:

- i. Savings opportunities from increased regional cooperation and consolidation of services;
- ii. Local responsibilities for service delivery of state-mandated or other high priority items, including by jointly operating or merging small school divisions;
- iii. Causes of fiscal distress among local governments;
- iv. Potential financial incentives and other governmental reforms to encourage increased regional cooperation; and
- v. The different taxing authorities of cities and counties

The Joint Subcommittee on Local Government Fiscal Stress is comprised of 11 members of the General Assembly. Five members of the Senate Finance and Appropriations Committee are appointed by the Chair of the Senate Finance and Appropriations Committee, and four members of the House Appropriations Committee, and two members of the House Finance Committee are appointed by the Chairman of the House Appropriations Committee. Both a Chairman and Vice-Chairman are elected among the membership of the Joint Subcommittee.

MEETINGS OF THE JOINT SUBCOMMITTEE

One virtual meeting took place on Monday, January 11, 2021. A summary of the meeting agenda is as follows:

- **Call to Order; Welcome** 2:00 pm – 2:05 pm
- **Election of Vice Chair** 2:05 pm – 2:10 pm
- **Staff Overview of the Joint Subcommittee on Local Use of Federal Coronavirus Relief Funds** 2:10 pm – 2:40 pm
- **Roundtable Discussion with Local Officials** 2:40 pm – 3:30 pm
 - Meghan F. Coates, Director of Finance, Henrico County
 - The Honorable Jeff McKay, Chairman, Fairfax County Board of Supervisors and President, Virginia Association of Counties
 - Neil Morgan, County Administrator, York County
 - David Smitherman, County Administrator, Pittsylvania County

ADDITIONAL JOINT SUBCOMMITTEE INFORMATION

Additional information related to the Joint Subcommittee, including past and recent references to authorizing language, member information, and staff contacts may be found at: <https://studies.viriniageneralassembly.gov/studies/453>