

# Virginia Commissioners of the Revenue Association



## 2020 Legislative Agenda

Virginia's elected Commissioners of the Revenue are making every effort to better serve the Commonwealth and its citizens by providing efficient and innovative revenue administration at both the state and local levels.

In brief, we are committed to providing services to the citizens in each of our localities while simultaneously enhancing state and local revenues at little to no cost.

We are seeking your consideration and support of the following budget priorities:

### **Item #1 – Funding for State Share of Authorized Positions**

By statute, funding for state approved Commissioner of the Revenue deputy positions is provided jointly by the Commonwealth and local governments on a *50%-50% basis*.

Since 2002, state budget shortfalls have resulted in a \$3.0 million deficit in the state share of funding for *324 deputy positions*. This deficit represents *45%* of 723 state authorized positions in commissioners' offices. This has resulted in positions that have been either unfunded or underfunded. Localities have been forced to absorb the deficit or leave positions vacant.

We request that the Commonwealth begin to address this issue by restoring the state share (50%) of underfunded positions in FY21 and to begin restoring unfunded positions by 10% in both FY21 and FY22. *The Governor's budget does this providing \$950,656 in FY21 and \$1,037,069 in FY22 to support re-funding of approximately 100% of underfunded positions and 10% of unfunded positions in both years of the biennium.*

- Funding for 153 deputy positions that have been underfunded since 2002.

	<u>FY21</u>	<u>FY22</u>
Approximate cost	<b>\$733,895</b>	<b>\$800,613</b>

- Partial funding (10%) for 171 deputy positions that have been unfunded since 2012.

	<u>FY21</u>	<u>FY22</u>
Approximate cost	<b>\$216,761</b>	<b>\$236,456</b>

(over)

Program	Position Count	Unfunded Position Count	Percent Unfunded	FY22 Cost to Restore Unfunded Positions to Minimum	Additional Unfunded Position Count	Percent Unfunded	FY22 Additional Cost to Restore Unfunded Positions to Minimum	Total Unfunded & Underfunded Position Count	Total FY22 Add'l Cost to Restore Unfunded & Underfunded Positions to Minimum
Sheriffs	7,855	243	3.09%	7,583,158	1	0.01%	778	244	7,583,936
Regional Jails	4,329	132	3.05%	3,832,699	1	0.02%	222	133	3,832,921
Finance Directors	370	100	27.03%	1,263,356	12	3.24%	13,487	112	1,276,842
<b>Commissioners of Revenue</b>	<b>723</b>	<b>171</b>	<b>23.65%</b>	<b>2,364,555</b>	<b>153</b>	<b>21.30%</b>	<b>800,613</b>	<b>324</b>	<b>3,165,168</b>
Commonwealth's Attorneys	1,117	102	8.67%	3,373,635	86	7.31%	431,568	188	3,805,203
Circuit Court Clerks	1,107	21	1.90%	577,772	104	9.39%	471,388	125	1,049,160
Treasurers	726	250	34.44%	3,408,257	151	20.80%	960,403	401	4,368,659
<b>GRAND TOTAL</b>	<b>16,179</b>	<b>1,023</b>	<b>6.26%</b>	<b>22,403,431</b>	<b>508</b>	<b>3.12%</b>	<b>2,678,460</b>	<b>1,527</b>	<b>25,081,891</b>

Source: State Compensation Board, Richmond, VA

## **Item #2 – 3% Salary Increase for State and State Supported Local Employees**

The Commissioners of the Revenue Association supports a budget amendment (Item 477 #6h) offered by Delegate Poindexter that provides a 3% salary increase for state employees and ALL state supported local employees beginning July 10, 2020.

Item 477 #6h	<u>FY21</u>	<u>FY22</u>
Central Appropriations	<b>\$124,655,574</b>	<b>\$135,929,159</b>

Constitutional Officer/Staff Detail	FY21			FY22		
	Officer	Staff	TOTAL	Officer	Staff	TOTAL
Sheriffs/Regional Jails	389,759	14,254,642	14,644,401	425,008	15,543,802	15,968,810
Finance Directors	23,916	152,938	176,854	26,079	166,769	192,848
<b>Commissioner of Revenue</b>	<b>357,932</b>	<b>257,287</b>	<b>615,219</b>	<b>390,303</b>	<b>280,555</b>	<b>670,858</b>
Commonwealth's Attorney	513,625	1,794,019	2,307,643	560,076	1,956,266	2,516,342
Circuit Court Clerk	449,334	1,048,902	1,498,236	489,970	1,143,762	1,633,732
Treasurers	353,820	223,387	577,207	385,819	254,494	629,408
<b>GRAND TOTAL</b>	<b>2,088,385</b>	<b>17,731,175</b>	<b>19,819,560</b>	<b>2,277,254</b>	<b>19,334,745</b>	<b>21,611,999</b>

Source: State Compensation Board, Richmond, VA

All Base Salaries were increased by the 3% ATB increase effective 7/1/19 approved by the 2019 General Assembly, Chapter 854, Item 474,U.1 Note that staff salaries are reimbursed at 100% of approved salaries with the exception of staff of Treasurers, Commissioners, and Finance Directors that are reimbursed at 50% of their approved salaries plus benefits.

## **Item #3 – Parity with State Employees on Compensation**

- The Commissioners of the Revenue Association also supports ongoing efforts to ensure that all constitutional officers are in parity with compensation adjustments provided to classified state employees.

## **Item #4 – Parity with State Employees on Retiree Health Care Credit**

Presently there is a lack of uniformity between state employees and constitutional officer employees under the Virginia Retirement System (VRS) with regard to the Retiree Health Care Credit.

- State employees with at least 15 years of service are eligible for \$4 per year of service while constitutional officers and their employees are eligible for only \$1.50 per year of service. (see § 51.1-1400 & § 51.1-1403, respectively).

**Please support SB 1057 which begins to address this issue (budget language only).**

(February 7, 2020)