

2012 BUDGET ISSUES FOR VIRGINIA'S TREASURERS

Senate Finance General
Government Subcommittee

January 31, 2011

TREASURERS: SNAPSHOT

- 125 principal officers
- 735 deputies
- Deputy costs split 50-50 with locality
- Collect state & local taxes/revenues
- State functions include income tax, DMV satellite offices
- Pilot program for collection of delinquent state taxes

ISSUE #1: NONREVERSION OF CAREER DEVELOPMENT \$

- Program legislatively created in 2002 to retain experienced deputies, promote professional development
- Rigorous coursework, testing administered by Cooper Center for Public Service, U.Va.
- Funding frozen since 2008 – at least 11 principal officers, 85+ deputies qualified but unfunded

REVERSION WILL DESTROY THE PROGRAM

- 2010 budget language is now reverting (and thus eliminating) *existing* funding when positions turn over
- Treasurers already have lost more than \$140,000 in annual funding – roughly 25% of the entire program
- Proposed language amendment provides that these funds do not revert, but rather remain available for qualified officers
- No new funds required

ISSUE #2: REVERSE CUMULATIVE FUNDING CUTS

- Unrestored cuts totaling **\$5.7 million** annually in treasurers' offices since 2002
- Equates to more than 500 entry-level deputy positions
- Result of cuts
 - Positions eliminated
 - Vacancies frozen
 - Localities forced to fund state share

IT IS CRITICAL TO START RESTORING THESE FUNDS

- Customer service is what suffers
- Positions in these offices are a bargain: entry-level deputy position costs the state on \$10,957/year
- Even a modest restoration this year would make a substantial difference
- \$440,000, for instance, would equate to 40 full-time deputy positions