

Attachment 1—Proposed Positions for the 2017 Alexandria City Package

The following are proposed as positions for Alexandria's 2017 Legislative Package:

A—FISCAL ISSUES

1. K-12 Funding.

The City asks its delegation to support fully funding the State's portion of K-12 education costs, including the Cost of Competing.

2. Regional Motor Fuel Sales Taxes.

The 2013 General Assembly changed the state gas tax from specific amount per gallon (17.5¢ for gasoline) to a percentage sales tax (3.5 percent for gasoline). The General Assembly also set a floor price (the statewide average wholesale price of a gallon of unleaded regular gasoline on February 20, 2013) by which the state taxes on motor fuels are calculated. Based on the fuel prices that day, the effective minimum tax rates on a gallon of gasoline and diesel are 16.2¢ and 22.2¢, respectively, throughout Virginia.

In addition, the 2013 law established an additional 2.1 percent regional sales tax for the local transportation projects in the Hampton Roads area, much like the local 2.1 percent tax already in effect throughout Northern Virginia.

Unfortunately, neither the Northern Virginia nor the Hampton Roads regional sales taxes were provided a floor. If we had a floor like the State tax, Northern Virginia would have collected nearly \$12 million more than it did in FY 2016. The City recommends the introduction of and support for legislation to create a floor for the Northern Virginia and Hampton Roads regional motor fuels sales taxes.

3. Competitive Salaries for State Employees in the City.

For some years now, the City has supplemented the salaries of many of the State-supported staff (primarily those of constitutional officers) who work in the City. The City recommends that the State allocate enough resources for it to pay competitive salaries to its employees in this region.

4. Virginia Preschool Initiative (Vice Mayor Wilson).

In an effort to align all jurisdictions' VPI eligibility rules, language was included in the 2015 state budget to establish a state-wide eligibility level of 200 percent of the federal poverty level (FPL) for families whose children participate in the VPI program. The budget language includes several other factors which make families eligible for VPI, such as children whose parents were dropouts, but we do not believe these would have significantly increased the Alexandria eligibility pool.

Because of the high cost of living in Northern Virginia (25 to 35 percent higher than the rest of the Commonwealth), Alexandria and neighboring localities have used other income limits for VPI participation; Alexandria's is 250 percent of the FPL. The current state budget allows each locality to set eligibility standards for up to 15% of the

localities' families that are participating in VPI. This provision addresses the City's concerns, and the City asks that this language be retained in future budgets.

5. Affordable Care Act & Medicaid Expansion.

The City continues its support for Medicaid expansion under the Affordable Care Act to include all individuals with incomes up to and including 133 percent of the federal poverty index (the current federal poverty index for an individual is about \$11,000 a year; it is approximately \$19,000 for a family of three). This expanded coverage will be paid for entirely by the federal government for the first three years of the program; after that, the federal government will cover 90 percent of the cost, and the state 10 percent.

The City supports this option for three reasons:

1. It will provide coverage for many preventive health care services;
2. By covering individuals slightly above the federal poverty index, it will address many health disparities which are directly associated with poverty and low-income; and
3. It will help avoid the cost-shifting that occurs, as low-income, uninsured people turn to local governments and nonprofits for their health care.

The City realizes that it will be very difficult to have this expansion approved in a future Session, but recommends that its delegation members continue to work toward that goal.

6. Assessment of Court Costs to Support Law Libraries.

Part of the funding for the City's Law Library comes from an assessment made, as part of court costs, on each civil case filed in Alexandria courts. The Code of Virginia (§42.1-70) allows localities to charge a fee of up to \$4 for this assessment. This fee (which was set at \$4 about 30 years ago) provides about \$47,000 to \$60,000 annually toward the Library budget. The Library also receives donations of varying amounts from members of the Bar and others. The City requests an increase in the existing assessment on civil cases. Each increase of \$1 would result in \$12,000 to \$15,000 in annual revenue for the Library.

7. Funds to Process Physical Evidence Recovery (Rape) Kits.

PERKs (Physical Evidence Recovery Kits) are used to collect physical evidence from victims of sexual assault. Once the evidence is collected, public safety officials must determine whether to submit a kit to the State crime lab for DNA analysis. In many cases, the kits were not submitted for analysis because they were not relevant to an ongoing investigation or necessary for prosecution. In others, the victim declined to press charges. A 2015 State audit found that there were over 2300 untested kits in Virginia.

Funding to address the backlog was provided last Session. Councilman Wilson recommends that the City ask its delegation to continue sufficient funding to ensure that no future processing backlogs occur.

B—ISSUES RELATED TO VOTING

1. Redistricting Reform.

In recent years, there have been a number of proposals to reform the redistricting process in Virginia, so that the process is less partisan. Bills that have been introduced were defeated. The City recommends that its delegation continue to support such legislative proposals in the 2017 and future sessions.

2. Early & Absentee Voting; Barriers to Voting.

The City asks its delegation to continue with support of unrestricted early voting and absentee voting; and to oppose any legislation that would create additional obstacles or barriers to voting.

3. Photo Identification for Voting.

The City asks its delegation to support legislation which would allow the use of any photo ID that was validly issued, and to oppose legislation that prohibits the use of expired photo IDs.

C--HUMAN RIGHTS ISSUES

1. Human Rights & Non-Discrimination.

The City asks its delegation to oppose any legislation that would restrict - and support any legislation that would expand—human rights for residents of or visitors to the Commonwealth or the City of Alexandria to the extent such rights are now protected by the Alexandria City Code or federal law.

2. Immigration/Law Enforcement.

The City asks its delegation to oppose legislation that would require local law enforcement officials to enforce federal immigration laws, unless federal law requires such enforcement. The City already complies with all requirements of federal law, such as determining the legal status of those in custody at the City Detention Center. Alexandria is not a Sanctuary City.

3. Ban the Box.

In April, 2015, Governor McAuliffe issued an Executive Order which prohibits state agencies from asking on employment applications whether the applicant has ever been charged with or convicted of any crime, unless the position was a “sensitive” one (as defined in Virginia Code §2.2-1201.1). The City asks its delegation to support any legislation that would incorporate this policy into the Virginia Code, so that this policy does not have to be continued every four years by Executive Order.

4. Drivers Licenses for Undocumented Immigrants.

The City supports legislation that would enable an undocumented person to obtain a driver’s license, which could be distinguished by color and design, and would serve as proof of identity, not citizenship. It is in the interest of public safety to offer such licenses.

5. Immigration/Higher Education.

In April 2014, Attorney General Mark Herring advised the presidents of Virginia's public colleges and universities that those students who are not American citizens could establish domicile (maintaining a home in Virginia for at least a year, with the intent to remain here indefinitely) and thereby become eligible for in-state tuition if they had been approved under the federal Deferred Action for Childhood Arrivals (DACA)¹ program. The City asks its delegation to support the Attorney General's interpretation of the law, should any legislation pertaining to this issue be introduced in 2017.

6. Restoration of Voting Rights for Felons.

Under Virginia law, any person convicted of a felony forfeits certain civil rights for life, including the right to vote. The Virginia Constitution reserves to the Governor the power to restore these rights. Although recent Governors have used a streamlined process instituted by executive order, this process relies totally on the good will of each individual Governor. Virginia's process for restoring rights has traditionally been one of the most restrictive in the nation. Governor McAuliffe has restored voting rights to many ex-felons, and his authority has been challenged in Court.

The City recommends that the delegation support legislation that would enable individuals to have their voting rights restored or that institutionalizes a streamlined process for restoration; and oppose legislation that would make restoration of voting rights more difficult, whether by statute or by constitutional amendment.

D—OTHER ISSUES

1. Alexandria's National Combined Sewer Overflows.

Alexandria's combined sewer system (CSS), in which the same pipe conveys both sewage and stormwater to a wastewater treatment plant (or an outfall in many storm events), is operated under a permit issued by the Virginia Department of Environmental Quality (VDEQ). The City's first CSS permit was issued by VDEQ in 1995, after EPA adopted its National Combined Sewer Overflow (CSO) Policy in 1994. As part of that permit, the City was required to develop a Long-Term Control Plan ("the Plan") for its CSS, which was completed and approved by VDEQ in 1999. As part of the Plan, the City demonstrated through extensive sampling and monitoring that its CSOs were in compliance with the EPA CSO Policy. VDEQ has renewed the City's permit several times in accordance with the approved 1999 Long-Term Control Plan.

In 2010, VDEQ adopted a Total Maximum Daily Load (TMDL) for Hunting Creek. A TMDL specifies the maximum amount of pollutants that a body of water can receive while still meeting water quality standards. The TMDL for Hunting Creek showed

¹ DACA provides for a deferral of any action to deport any individual 31 and under who (1) was brought to this country prior to age 16 illegally, or has lost lawful status; (2) has resided in the United States from June 15, 2007 to the present; (3) has not been convicted of a felony or a significant misdemeanor [e.g. domestic violence; sexual abuse or exploitation; burglary; unlawful possession or use of a firearm; drug distribution or trafficking; or, driving under the influence]; and (4) has a high school diploma or GED certificate, or has been honorably discharged from the military.

excess bacteria in the water, some of which came from CSO discharges that enter Hunting Creek during storm events without being treated at a sewage treatment plant.

The Hunting Creek TMDL called for significant reductions in the three CSO discharges into the Creek. When VDEQ reissued the City's CSS permit in 2013, the City was required to update its 1999 Long Term Control Plan to meet the Hunting Creek TMDL. We have revised the Plan and submitted it to DEQ for approval. If approved, it will cost about \$150 million to \$200 million over a period of approximately 15 years to implement. The average sewer bill will go up about \$120 to \$180 per year for 20 years for each Alexandria household to pay for the Hunting Creek capital projects.

The City has one additional CSS outfall (referred to as the 001 outfall area) which discharges into Oronoco Bay. VDEQ is not requiring the City to address this outfall in the current permit because it is not part of the Hunting Creek TMDL, and there is no TMDL for the Oronoco Bay. Although not required by VDEQ, for the 001 outfall area the City plans to implement green infrastructure projects and will continue storm and sanitary sewer separation projects as redevelopment occurs in that area. The current plan is that additional work on this outfall will be initiated once the large-scale Hunting Creek projects are well underway.

CSS projects, due to their cost complexity and disruptive nature, are typically phased and completed over a long time period and not all undertaken at once. Large underground tunnels and tanks, which are what the City contemplates, are "mega" construction projects. For example, Lynchburg first started studying its CSS's issues in 1974 and has been diligently working on its separation project since then, with more of the project yet to be completed. We assume that there will be a TMDL for the Oronoco Bay in the future; this TMDL is necessary for the City to identify the appropriate capital projects needed to address pollution from the 001 outfall. Corrective measures for outfall 001, if it costs \$150 million (which is an order of magnitude cost estimate), will increase residential sewer bills by an additional \$120 yearly (this is in addition to the sewer bill increase to pay for the Hunting Creek capital projects). The exact cost of 001 corrections will, of course, depend on the specific capital projects that will be required, as well as the complexity, soil conditions of the 001 undertaking.

Although the City does not plan to seek State funding for its CSO projects in the 2017 Session, it is likely to do so beginning in 2018. State funding of CSO projects has been provided to Lynchburg and Richmond.

2. Airbnb.

The 2016 General Assembly considered legislation that would have authorized the State Department of Taxation to receive all state and local taxes that are due from Airbnb facilities. These are generally rooms in homes that operate much like bed-and-breakfasts. Legislation was passed in a way that it does not become effective unless reenacted in 2017. Prior to 2017, the Housing Study Commission is looking at the issue. The Commission appointed a workgroup which has met three times but has not yet developed any recommendations. City staff recommends that Council adopt three principles that should be the basis for any future Airbnb legislation. These are the following: (1) require all Airbnb or similar facilities to be registered so that the City knows their location; (2)

require Airbnb facilities to pay all appropriate taxes; and (3) require Airbnb facilities to abide by appropriate zoning regulations.

3. Condo Conversion Assignment.

In 2007, with the City's strong support, legislation was enacted to allow a disabled or elderly tenant to assign any purchase rights to his unit to a nonprofit, government agency, or housing authority in the case of a condominium conversion. The agency, authority, or nonprofit can then offer the tenant a lease of the unit at an affordable rent. The number of units that can be acquired this way cannot exceed five percent of the total number of units (or one unit, if five percent equals less than a full unit).

The City supports legislation extending the ability to assign purchase rights to any tenant. If a less broad, incremental step is needed, the City suggests allowing families with minor children living at home to assign their purchase rights. The City also recommends that disabled or elderly tenants be given a higher priority than others if the number of tenants seeking to avail themselves of the program exceeds the five percent limit.

4. Local Option for Setting the Opening Day of School.

Current Virginia law prohibits school divisions from beginning the school year before Labor Day (although exceptions are allowed for school systems that experience a significant number of closures due to bad weather). Many school systems believe they would improve student performance, especially on standardized tests, if they could begin the school year sooner. The City recommends that each school board be allowed to set the beginning of the school year on whatever day it deems appropriate.

5. Rate increases and the State Corporation.

Residents of the City of Alexandria receive their water from the Virginia American Water Company. The Company has asked the State Corporation Commission (SCC) twice in recent years for the ability to raise some of its rates without having to go before the SCC. The City believes the SCC should have the authority to accept or reject all proposed rate increases by this company. The City recommends that legislation be introduced to prohibit rate increases without specific authorization from the SCC.

6. The "Appomattox" statue.

In 1888, Alexandria City Council approved the placement of a statue of a Confederate soldier (*Appomattox*) at the intersection of Prince and South Washington Streets. The statue, which honors Alexandria's Confederate dead, was provided by the local chapter of the United Confederate Veterans, and was dedicated in 1889. The statue is now owned by the United Daughters of the Confederacy.

Legislation passed in the 1890 General Assembly Session requires the statue to remain in its current location permanently. In addition, §15.2-1812 of the Code of Virginia prohibits the removal of memorials or monuments related to any war involving the United States, including the "War Between the States."

At its September 17 meeting, City Council considered action on several measures related to Confederate memorials and street names. One of these items was whether to seek authorization from the General Assembly to move *Appomattox* out the roadway

intersection of Prince and Washington Streets and onto the nearby corner lawn of the Lyceum.

At the conclusion of the meeting, Council directed City staff to request permission from the General Assembly to move the Appomattox statue; the City recommends that its delegation support such legislation.

7. Juvenile Justice Transformation.

The State Department of Juvenile Justice has recently examined its policy and practices and found them to be out of step with what current research and evidence shows are the most effective practices for reducing recidivism with juvenile offenders. The Department has developed a transformation plan to provide more effective and efficient services for these juveniles. Among other things, this plan seeks to reduce the number of juveniles who are sent to state facilities by offering alternative placements and services in the community. The city of Alexandria recommends that its General Assembly delegation provide the funding necessary to implement this plan, and especially funding for any additional local programs.

8. Human Trafficking.

The City of Alexandria recommends that the Virginia Department of Criminal Justice Services adopt training standards for law-enforcement officers to ensure that they are aware of, and able to identify, human trafficking offenses.

9. Taxing Basic Necessities.

In the 2016 session, Delegate Mark Keam introduced legislation to exempt tampons and sanitary napkins from the sales tax. This bill did not pass. Several other states do not tax these products. Alexandria recommends that its delegation support legislation to eliminate the sales tax on basic necessities, such as feminine hygiene products, diapers and products related to incontinence, as well as baby food and baby formula.

10. Minimum Wage.

The minimum wage in Virginia is currently established by federal law at \$7.25/hour. Several bills in recent General Assembly Sessions sought to set a Virginia minimum wage higher than the federal one, but they were all defeated. The City supports a State minimum wage higher than the current federal one, and recommends that such a minimum wage be automatically adjusted for inflation in the future. Should the General Assembly be unwilling to set a State minimum wage, the City would support legislation that gives localities the authority to set such a rate for jobs within their jurisdictions.

11. Northern Virginia Aging Network (NVAN) Platform.

The City of Alexandria recommends support for the Northern Virginia Aging Network platform which includes the following:

- Provisions to improve health care for older adults;
- State budget requests for more ombudsmen and increased Medicaid provider reimbursement rates;
- More state resources for older adults suffering from mental illness; dental care for the elderly; and home and community-based services.

12. Flood Insurance.

Alexandria believes that it would be helpful for the State to partner with localities to assist them in lowering their rating class in the Community Rating System for FEMA's National Flood Insurance Program. Lowering the class provides residents with additional discounts in this program. The City recommends that the State create a grant program to match local funding for efforts designed to lower rating classes.

13. Body Cameras.

The City recommends that its delegation not introduce legislation on body cameras this Session. If other legislators introduce such body camera bills, the City will review the bills and make recommendations to the delegation.

14. Caps on Interest Paid on Payday and Auto Title Loans.

Virginia allows both payday loans (short-term loans pledged against a future paycheck or government benefit check) and auto title loans (which are secured by a car's title). Many states (including neighbors Maryland, North Carolina, and West Virginia) and the District of Columbia currently ban high-cost, short-term loans by setting a maximum annual interest rate of 36 percent, including fees. Under the federal Military Lending Act, military service members and their families are also protected from these expensive and predatory loans. A 2009 Virginia law restricted payday loans to 36 percent annual interest, but permitted additional fees that increase the actual interest rate above this level. In 2012, according to the State Corporation Commission, the average annual interest rate for car title loans was 224 percent; for payday loans it was 305 percent.

The City supports legislation to cap the interest rate on short-term loans at 36 percent annual interest inclusive of all fees.

15. Compliance with the Virginia Conflict of Interests Statute.

Recent Sessions of the General Assembly have amended the Virginia Conflict of Interests statutes. While these amendments have authorized the Virginia Conflict of Interests and Ethics Advisory Council to audit statements of economic interest that are submitted by state employees and General Assembly members, no such authority is given to the Council for local elected officials' statements.

Earlier this year, Alexandria City Council adopted a Transparency Resolution. Included in this Resolution was a request that the General Assembly authorize and require the Conflict of Interests and Ethics Advisory Council to audit economic interest statements submitted by local officials. The City of Alexandria recommends that the 2017 Session amend the State Code be so that the Virginia Conflict of Interests and Ethics Advisory Council has the same auditing authority for locally filed Statements of Economic Interests that it currently has for those filed by state legislators and employees.

16. Virginia Housing Trust Fund.

The Virginia Housing Trust Fund is used to provide grants and loans throughout the Commonwealth for those who want to construct or preserve affordable housing. The current State Budget includes appropriations of \$5.5 million in each year of the biennium

(FY 2017 and 2018). Because of shortfalls in State revenue, proponents of affordable housing are concerned that the Housing Trust Fund appropriations, as well as other funds to address homelessness, may be reduced. They are asking Alexandria and other localities to urge their General Assembly delegations to maintain the Trust Fund appropriations and related funds at their current levels. The City has been a strong supporter of funding for the Housing Trust Fund in past Sessions. The City recommends that its delegation oppose any efforts to reduce appropriations to the Virginia Housing Trust Fund or other funds to address homelessness.