

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 12, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Update on the 2018 General Assembly Session

ISSUE: Update on the 2018 General Assembly Session.

<u>RECOMMENDATION</u>: That City Council approve the legislative positions included in Attachment 1 (Recommended Positions on Bills of Importance to the City), as recommended by Council's Legislative Subcommittee (Mayor Silberberg and Councilman Smedberg).

DISCUSSION: The 2018 General Assembly Session began on January 10 and is scheduled to adjourn on March 10. Crossover occurs February 13, 2018. The Senate will then consider only House bills, and the House only Senate bills. Any bills that do not pass out of their house of origin by the crossover deadline are now effectively dead for the year.

The House Appropriations and Senate Finance Committees are scheduled to release their proposed amendments

to the budget next Sunday, February 18.

While City staff is involved in numerous issues and many pieces of legislation throughout the session, effort is primarily focused on bills that support the issues and concerns expressed in the City's Legislative Package, including the following:

<u>Combined Sewer Overflow Legislation</u>: The City continues to focus on the planning and implementation of the work plans to meet the 2025 deadline to address the City's four CSO outfalls, as prescribed by legislation passed during last year's session. The City has worked diligently since this legislation passed to begin to develop work plans that will meet this new deadline. All CSO-related planning and work is done in coordination with AlexRenew. City staff and staff of AlexRenew continue to work to protect the bond money in the Governor's proposed budget to help Alexandria's efforts to implement the CSO project.

City staff and AlexRenew staff briefed the Senate Finance Committee's Economic Development and Natural Resources Subcommittee on January 23, 2018. This presentation worked to reinforce both the City's commitment to the mandates in last year's CSO legislation as well as the awareness that CSO projects need State financial assistance due to the magnitude of such projects. The presentation received a positive reception by the Senators on the committee. There were no real, substantive questions from the members and no Senators expressed any concerns. Sen. Stuart - the patron of last year's CSO legislation - made a point to thank the City for making this project a priority and for being committed to the timeline. Sen. Hangar noted, "y'all seem to be really on top of this."

Sen. Richard Stuart - who patroned last year's SB 898, requiring the City to complete its CSO corrective work by 2025 - introduced SB 940 this session, which would have placed a number of expensive and prescriptive monitoring and reporting requirements on the City related to CSO discharges. City staff met with Sen. Stuart and his staff and proposed compromise language to mitigate some of the monitoring and reporting requirements in the original bill. Sen. Stuart subsequently decided to pass the bill by for the year, noting that, "I've talked with the folks who this would affect and I am confident that they are already working towards accomplishing what I want them to do in this bill."

WMATA Funding: The City has expressed commitment to and support for comprehensive legislation to create a dedicated funding source for WMATA, creating a floor for the Northern Virginia regional motor fuels sales taxes, providing bond funding that will eliminate the "transit "fiscal cliff," and providing funding for VRE (the Virginia Railway Express).

SB 856 (Saslaw) and HB 1539 (Hugo) are the current vehicles for funding for mass transit in the Commonwealth. These bills are "works in progress" and any details provided in this memo may be out of date by the February 13 Council meeting. However, as of the drafting of this memo SB 856 includes:

- \$154 million per year in dedicated capital funding to WMATA to address the system's state of good repair needs from a mix of dedicated state, regional and local sources;
- Stabilization of regional motor fuels sales tax revenues imposed in Northern Virginia and Hampton Roads by providing a "floor" consistent with the statewide gas tax;
- Dedicated funding for VRE, similar to existing state funding that supports Amtrak services;
- Approximately \$20 million annually in new dedicated funding to mass transit by applying the state sales and use tax to transportation network companies (like Uber and Lyft);
- Some changes to the WMATA Board, including a smaller board of directors;
- A cap on WMATA operating expenses to ensure they do not grow by more than 3% a year;
- A requirement that partner jurisdictions provide dedicated funding before new revenues are provided to

WMATA.

HB 1539, which was reported out of the House Transportation and Appropriations Committees unanimously, provides approximately \$105 million each year to WMATA for capital improvements from existing state, regional and local revenue sources without increasing taxes, and puts in place significant reform requirements as a condition of funding

The major funding components of HB 1539 are:

- \$45 million from the 30% share of the NVTA Funding returned to localities;
- \$30 million from the existing 2% Transient Occupancy Tax levied in the NVTA jurisdictions;
- \$20 million from the share of recordation tax revenues returned to Northern Virginia that have previously supported the Northern Virginia Transportation District Bond Program;
- \$10 million from the vehicle rental tax currently dedicated to transportation purposes.

The bill includes a stipulation that operating assistance for WMATA cannot increase by more than 2% annually or funding penalties could be applied. It also includes numerous reforms originally proposed in the report on Metro prepared by former U.S. Transportation Secretary Ray LaHood, including a smaller Board and the establishment of a Metro Reform Commission.

<u>Medicaid Expansion</u>: Last week, House Speaker Kirk Cox opened the door for Medicaid expansion this session. Cox stated that he was open to a "dialogue" on the issue if Medicaid expansion included a work requirement for those who might be covered, including existing Medicaid recipients. HB 338 (Miyares), which passed out of the House Appropriations committee 21-0, lays out a work requirement for Medicaid recipients that could be rolled into a Medicaid expansion plan.

Funding for the Alexandria Law Library: HB 702, patroned by Del. Levine, would allow localities to increase the current court cost assessment on civil cases used to support local law libraries from \$4 to \$7. While the fee increase was permissive and not required, the Committee Chair, Del. Peace, expressed concern that this would encourage unnecessary fee increases. Del. Levine amended the bill in committee to only apply to localities with law libraries in Planning District 8, to include Alexandria. The bill was approved by the subcommittee 6-2 and the full House General Laws committee 16-6. On Monday, February 12, the bill was sent on a 51-49 vote back to the committee in effect killing it.

Appomattox Statue: Several bills to allow localities to move statutes and memorials related to wars (e.g., the Appomattox Statue) were introduced and all of them have been defeated, including bills patroned by Sen. Ebbin and Del. Levine.

<u>Annual ABC License for the Office of Historic Alexandria</u>: Legislation to authorize entities like the Office of Historic Alexandria to obtain an annual ABC license to serve mixed beverages at events hosted at City-owned museums, rather than having to file for individual licenses for individual events, passed out of both the House and the Senate. These bills will now cross over for consideration in the opposite house.

<u>Confidentiality of Residential Building Plans</u>: SB 921, patroned by Sen. Ebbin, seeks to fix the unintended consequences of last year's HB 1587, so that residents and City staff can see single-family residential building plans and drawings, which is especially important in cases of Board of Zoning appeals. The bill passed out of the Senate unanimously and now goes to the House for consideration. HB 683, which is identical, was passed by the House and now awaits action by the Senate.

<u>"Ban the Box</u>": Legislation that would put current "Ban the Box" policies (which prohibit state agencies from asking on employment applications whether the applicant has ever been charged with or convicted of any crime, unless the position is a "sensitive" one) into State law has been passed by the Senate but was defeated by the House.

Raising the Felony Threshold: On Thursday, February 8, Gov. Ralph Northam, House Speaker Kirk Cox, and Sen. Mark Obenshain announced a bipartisan compromise to both raise the felony larceny threshold (from \$200 to \$500) and ensure that crime victims are paid restitution owed to them. SB 105 passed out of the Senate, and HB 1550 passed out of the House Courts of Justice committee and is set for consideration by the House.

<u>Minimum Wage</u>: Several bills were introduced to raise the minimum wage in Virginia or to allow localities to set their minimum wage above the current national level. The Senate bills related to this issue were defeated. House bills on this topic have not yet been considered.

Early and Absentee Voting: All House bills related to early and absentee voting were defeated. Senate bills related to early and absentee voting were rolled into an interim subcommittee study. The Senate's move to study these issues during the interim is generally seen as the most positive action that has happened on this issue to date.

Local Option for Setting the Opening Day of School: Two measures passed out of the House which would allow localities to set the opening day of school. Similar bills have already been defeated in the Senate. Opposition to this bill remains focused in the tourism industry with concerns about earlier start dates impacting attendance at tourist attractions.

Other City Package Bills:

Other legislation which is supported in the City Package but has been defeated includes:

- Legislation to make it illegal to use a "handheld personal communications device" while driving, unless it is being used "hands-free";
- Bills to require drivers to stop, not just yield to pedestrians;
- Bills to authorize in-state tuition to certain students who have applied for permanent U.S. residency;
- Bills to authorize drivers' licenses for undocumented immigrants;
- The Charter bill, which would have expanded the City's tree preservation authority.

More specific information on legislation relating to the 2018 City Package can be found in Attachment 1.

In addition to legislation included in or supportive of the City's Legislative Package, City staff has been involved in a number of other issues of interest to the City, including:

<u>Waze Rerouting</u>: City staff worked in support of SB 623 (Surovell), which would have given the City the option to reduce cut through traffic in certain neighborhoods currently driven by digital routing providers like Waze. Alexandria has a number of specific neighborhoods where, as drivers look to get on the Beltway to go over the Woodrow Wilson Bridge during the evening rush hour or head south to I-95, traffic backs up for blocks in otherwise quiet single family residential neighborhoods. This often makes it difficult for residents to drive to their houses or to even get out of their driveways during those times. City staff worked to engage affected neighborhoods and communicate community support for the bill as an opportunity to reduce cut through traffic in our neighborhoods, protect quality of life and increase safety in our community. The bill failed in the Senate Transportation Committee with a 6-6-1 vote.

File #: 18-7312, Version: 1

<u>Wireless</u>: HB 1258 (Kilgore), SB 405 (McDougle), and HB 1427 are bills promoted by the wireless industry that would have significant impacts on the City's control over the installation and operation of wireless infrastructure as well as the way the City can set fees for the installation of these structures on rights-of-way.

HB 1258 and SB 405 would eliminate most local control over the installation and operation of new structures and the replacement of current technology. In addition, it would mandate new, burdensome processes for the City and move decision-making authority from the community and local elected officials to the companies that install wireless equipment. HB 1258 passed the House 56-41-2 and SB 405 passed the Senate 22-13-4.

HB 1427 sets statewide rights-of-way fees related to the installation of wireless support structures on public rights-of-way. There is concern that these fees are not likely to be in tune with actual costs and that this set, statewide fee structure does not account for the differences in the cost and availability of professional services throughout the state, as well as the differences in workload in local jurisdictions. HB 1427 passed out of the House 83-14-2.

ATTACHMENTS:

Attachment 1. City Package Related Bills (Status Update) Attachment 2. Recommended Position on Bills of Importance to the City Attachment 3. Current Status of Bills on Which the City Has Taken a Position

STAFF: Sarah G. Taylor, Legislative Director