



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 11, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER

DOCKET TITLE:

Update on the 2020 Virginia General Assembly Session.

ISSUE: Update on the 2020 General Assembly Session.

DISCUSSION: The 2020 General Assembly Session began on January 9 - February 11 is the 35th legislative day of the session and is crossover, when each body must complete work on its own legislation other than the budget bills and Second Reference Resolutions. The House and Senate will present their budgets on February 16. Since this is a long legislative session with the General Assembly in session for 60-days this year, sine die is currently scheduled for March 7. Sarah Taylor, the City's Legislative Director, will continue to represent the City in Richmond throughout the General Assembly Session.

Legislative Package - The City's 2020 Legislative Package has proposals organized into two sections - Legislative Principles and Legislative Priorities.

The section of Legislative Principles is structured around the City's Strategic Plan and creates a clear nexus between the City's goals and the legislative and funding measures necessary for us to achieve these goals. In general, the Legislative Principles are broadly crafted and focus on comprehensive legislative strategies rather than specific legislative tactics.

Legislation that aligns with and supports the City's Legislative Principles has been filed in each area, including: affordable housing authority; anti-discrimination in the areas of housing, employment, credit and public accommodations; procurement flexibility for localities; common sense gun safety, including "red flag" laws and stronger background checks for all gun buyers; decriminalization of marijuana possession; local authority regarding war memorials on public property; banning conversion therapy for LGBTQ youth; automated speed enforcement; single use plastic and Styrofoam products; taxing e-cigarettes and vaping products; raising the tax

on tobacco products; and protecting vulnerable road users.

Several key pieces of legislation that align with the City's Legislative Principles saw action since last report, including:

- Plastic Bag Tax: Several bills were introduced this session to reduce the impact of plastic bags on landfills and state waters. The strategy for these bills continues to evolve.

In the House, HB1151 (Lopez) was reported out of the House Finance Committee on a 12-10 vote. The bill allows for localities to impose a tax on single-use plastic bags. The bill, however, would direct all revenue to go to the state, with funds allocated to the Virginia Water Quality Improvement Fund and the Virginia Natural Resources Commitment Fund.

HB534 (Carr) imposes a statewide \$.05 fee on all single use plastic bags. Revenues would be collected by the state and directed to the Water Quality Improvement Fund and the Litter Control and Recycling Fund. HB 534 was reported to the full House last week and was on the calendar for second reading in the House.

SB11 (Ebbin) encountered some roadblocks in the Senate Finance and Appropriations Committee as the patron and stakeholders worked to settle on a workable proposal. SB11 was passed by for the day in a series of Committee meetings and is on the docket for consideration at the final Senate Finance and Appropriations Committee meeting before crossover.

In order to truly achieve the goal of a plastic bag tax, both changing behavior as well as raising revenue to mitigate the impacts of plastic bags in our communities, efforts are ongoing to earmark a portion of the tax revenue for local governments directly. We are continuing to work with the patrons and stakeholders to ensure that any fee imposed by a locality will remain in that community, at least in part, and be dedicated to address local environmental challenges.

- Styrofoam Container Ban: HB533 (Carr) would ban the dispensing of Styrofoam containers by all food vendors effective July 1, 2025. The bill would impose a fine of no more than \$50 per day for any person who violates the ban, with the revenue to be deposited in the Litter Control and Recycling Fund. The bill was passed on to its Third Reading for final consideration by the House of Delegates.
- Marijuana Decriminalization: HB972 (Herring) would decriminalize simple marijuana possession of ½ oz or less. The bill would impose a civil fine of \$25 on a first offender that can be paid like a parking ticket. Currently, anyone charged with simple possession of marijuana would be arrested, fined up to \$500, and could face up to 30 days in jail for a first offense. The bill passed out of the House of Delegates on a 64-34 vote. The Senate version of this bill (SB2 - Ebbin) includes a \$50 fine for possession of up to 1 oz of marijuana.
- Local Authority to Address War Memorials: HB1537 (McQuinn) provides that “a locality may remove, relocate, or alter any monument or memorial for war veterans located in its public space, regardless of when erected.” Currently, localities are not permitted to take these actions. The bill was amended in the House Counties, Cities and Towns Committee last week and was voted out of committee on a 12-10 vote. The bill will next be considered by the full House of Delegates.

The Senate version, SB183 (Locke), passed out of the Senate Local Government Committee last week after

significant amendments were made to the bill in committee. Additional amendments are likely to occur on the floor.

Ongoing work on these bills is generally focused on ensuring that memorials in cemeteries are exempt, that localities cannot destroy these memorials, that localities are required to consult the Department of Historic Resources on the history of the memorial before making any decisions to remove, relocate or alter the memorial, and requiring a public hearing or advisory referendum before a locality can decide to remove, relocate or alter a memorial.

The City's Legislative Priorities are, generally, specific revenue and legislative proposals that the City has identified as the issues of greatest impact to the City. These are the issues the City intends to continue expending significant political effort on and the issues that we intend to ask our General Assembly delegation to engage in on behalf of the City.

Some significant bills that align with the City's legislative priorities saw action this week.

- Virginia's Participation in the Regional Greenhouse Gas Initiative: HB981 (Herring) would bring Virginia into the Regional Greenhouse Gas Initiative (RGGI). Under Del. Herring's proposal, RGGI auction funds would be deposited into a state fund for distribution to the renamed Virginia Shoreline Resiliency Fund, low-income energy efficiency programs and statewide climate change planning and mitigation efforts. The bill passed out of both the House Labor and Commerce and House Appropriations Committees and is currently up for consideration in the full House.
- Drivers Licenses for Undocumented Immigrants: Legislation in both the House and Senate would allow undocumented immigrants to obtain driver's licenses. SB34 (Surovell) and HB1211 (Tran) both would allow immigrants to obtain a driver's license regardless of legal status and are estimated to affect more than 308,000 undocumented immigrants in Virginia. The applicant must prove they don't have a social security or individual taxpayer identification number and submit a certified statement that their information is true. The bills both have a delayed effective date of January 1, 2021 in order to do outreach and education as well as implement the systems and processes necessary to issue these drivers licenses. Both bills are awaiting final action in their respective chambers.
- Restoration of Funding to the Northern Virginia Transportation Authority: The Administration's sweeping transportation funding and safety package is moving quickly through the House of Delegates; but where this road winds up is really anybody's guess. HB1414, sponsored by Speaker Eileen Filler-Corn, is up for final vote in the House of Delegates. The Senate version of this bill, SB890, is currently on Second Reading in the Senate.

Of particular interest to Alexandria is the portion of these bill that purports to make the Northern Virginia Transportation Authority (NVTA) whole, after \$100 million was diverted away from NVTA during the Metro funding efforts in 2018. Last year, a bill to establish new fees and taxes in the Interstate 81 corridor to fund improvements on the highway also included a provision that would distribute some of that revenue-estimated at \$20 million a year-to the NVTA. While HB 1414 outlines \$30 to 40 million in regional revenue for NVTA, it will actually take at least \$82 million to fully restore funding to NVTA.

HB1414 and SB890 currently limit funding for NVTA to regional increases in the Transient Occupancy Tax (TOT) and Grantor's Tax. The City's position is that NVTA must be made whole through a broad-based

funding package, including state-wide funding sources, that would limit additional burden on Northern Virginia taxpayers. Staff and Visit Alexandria are also concerned that the effective total TOT rate (state sales tax, regional TOT, local TOT) does not have upward tax rate room remaining.

Staff has continued to work to ensure that any legislation purporting to make NVTAs whole ultimately includes a state or state-wide investment.

Del. Vivian Watts is continuing to work on her HB729, which is a stand-alone bill regarding funding for the NVTAs. In the latest version of her bill, Del. Watts has included a provision earmarking \$40 million in Recordation Tax revenue for NVTAs in addition to the funding from the TOT and Grantor's Tax. This additional, statewide revenue source would get the funding package for NVTAs significantly closer to fully restoring funding to NVTAs. This bill was passed on to its Third Reading for final consideration in the House.

Other bills of interest to the City currently being considered in the General Assembly include:

- Collective Bargaining: The House of Delegates is moving forward with legislation that would repeal the prohibition on collective bargaining by public employees while the Senate is considering a bill that would permit localities to adopt ordinances to allow their employees to bargain collectively.

In the House, HB582 (Guzman) repeals the existing prohibition on collective bargaining by public employees. The current version of the bill creates a "Public Employee Relations Board" that would determine bargaining units and provide for certifications and decertification elections for bargaining representatives of state and local government employees. HB 582 has passed the House and is moving on for consideration in the Senate.

In the Senate, SB 939 (Saslaw) gives the authority to local governments to adopt ordinances to allow collective bargaining by their employees. Employees in those localities would continue to be prohibited from striking. SB 939 has passed out of the Senate Finance and Appropriations Committee and is currently on first reading in the Senate.

- Peer to Peer Car Sharing: Peer to Peer (P2P) car sharing is part of the new "disruption economy" where shared vehicle rentals are conducted by vehicle owners using a platform accessed via the internet or a smart-phone app - like an Airbnb service for cars. Under current law, P2P vehicle sharing transactions are subject to the Motor Vehicle Rental Tax at the same 10 percent total rate as all other motor vehicles offered for rent in the Commonwealth. However, very few, if any, P2P sharing platform companies or vehicle owners are fulfilling the requirement to collect and remit the required 10 percent tax.

The current situation creates an unlevel playing field for traditional rental car companies who pay the tax as required by law and who arguably do more for local economies than P2P. Moreover, the lost tax dollars mean less revenue for localities.

Staff has been working with stakeholders to find a compromise position which protects as much local tax revenue as possible. SB749 and SB750 (Cosgrove) and SB 735 (Newman) are the bills we are working on which will be considered in the final Senate Finance and Appropriations Committee meeting before crossover.

ATTACHMENT:

1. Status Update on 2020 Bills of Interest to the City

STAFF:

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Sarah Taylor, Legislative Director