



## Legislation Text

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### City of Alexandria, Virginia

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#### MEMORANDUM

**DATE:** MARCH 9, 2020

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

**DOCKET TITLE:**

Update on the 2020 Virginia General Assembly Session.

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**ISSUE:** Update on the 2020 General Assembly Session.

**DISCUSSION:** The 2020 General Assembly Session began on January 9 and while sine die was scheduled for March 7, the General Assembly extended session until March 12, when they will vote on the budget. Due to the extension of the General Assembly session, a final report on the City's legislative package and legislation of impact to the City will be presented at Council's March 24 meeting, with a final report after the Reconvene session to consider the Governor's vetoes and amendments on April 22, 2020.

Sarah Taylor, the City's Legislative Director, continues 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.

A significant number of bills that align with and support the City's Legislative Principles have passed this session, with many already being signed into law by the Governor, including:

- affordable housing authority
- anti-discrimination in the areas of housing, employment, credit and public accommodations
- common sense gun safety, including "red flag" laws and stronger background checks for all gun buyers

- banning conversion therapy for LGBTQ youth
- automated speed enforcement, enhanced penalties for causing serious physical injury to a vulnerable road user and a number of other “Vision Zero Action Plan” items

Several key pieces of legislation that align with the City’s Legislative Principles have passed this session, including most recently:

- Plastic Bag Tax: Several bills were introduced this session to reduce the impact of plastic bags on landfills and state waters. The final vehicle for this tax was SB 11 (Ebbin) which will allow localities to impose a \$.05 fee on all single use plastic bags. Revenues will be collected by the state and remitted back to the localities with a portion of the fee remaining with the retailers. The revenue from this tax can be used by localities for the purposes of environmental cleanup, providing education programs designed to reduce environmental waste, mitigating pollution and litter, or providing reusable bags to recipients of Supplemental Nutrition Assistance Program (SNAP) or Women, Infants, and Children Program (WIC) benefits. The bill is on to the Governor for his action and would be effective Jan. 1, 2021 should it be signed into law.
- Marijuana Decriminalization: HB 972 (Herring)/SB 2 (Ebbin) decriminalize simple marijuana possession, setting a \$25 civil penalty for a first offense and including a mechanism for expunging a charge from someone’s record if the case is dismissed in court. The bills, which are now identical, passed out of both houses of the General Assembly with bipartisan votes on the final day of bill consideration. They are on their way to the Governor for his expected signature.
- Local Authority to Address War Memorials: HB 1537 (McQuinn)/SB 183 (Locke) provide 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 bills, which are identical, include a process that localities with publicly owned memorials must undertake in order to remove, relocate or alter a war memorial in a public space. This process does not apply to the Appomattox statue, as it is privately owned but located on public property. These bills, which are now identical, were approved by both House of the General Assembly with bipartisan votes on the final day of bill consideration. They are now on their way to the Governor for his expected signature.
- State Investment in African American History Sites: The State budget for FY 2020-2022 includes \$2.443 million in General Funds from the Financial Assistance for Historic Preservation fund to support the preservation and curation of Freedom House.

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 capital 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.

- State Investment in Alexandria’s CSO Mitigation: The State budget for FY 20-22 (HB 30) includes \$25 million in Virginia Public Building Authority Bonds for Alexandria’s CSO project in the first year of the biennium. In addition, the budget includes language noting that this investment is “the second of three allocations for the Combined Sewer Overflow for the City of Alexandria,” referencing the \$25 million in

VPBA bonds the City received in last year's budget. The "promissory language" in the budget goes on to state that "it is the intent of the General Assembly to provide the third and final allocation in the 2022-2024 biennium" for the City's CSO project.

- Transit/Transportation Omnibus - Restoration of Funding to the Northern Virginia Transportation Authority: The 2020 Transportation Omnibus (SB 890 Saslaw/HB 1414 Filler-Corn) contains provisions for the maintenance of aging bridges, local transit improvements, and a \$3.7 billion plan to double passenger rail service in the Commonwealth over the next decade. The bill includes an increase in the gasoline tax, reduces vehicle registration fees, establishes a highway use fee for alternative-fuel and fuel-efficient vehicles, and retains the annual safety inspection requirement and reduces the fee to \$10. The measure now goes to the Governor for his final consideration.

Of particular interest to Alexandria is the portion of these bills that will make the Northern Virginia Transportation Authority (NVTA) partially whole, after \$102 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.

The Omnibus bills include funding for NVTA from regional increases in the Transient Occupancy Tax (TOT) and Grantor's Tax as well as \$20 million in funding from the Commonwealth Transportation Fund for NVTA, which would give NVTA approximately \$50 million toward its \$82 million shortfall.

- Housing Choice Voucher Income Tax Credit for Landlords: SB 200 (Barker)/HB 590 (Guzman) expand the existing State income tax credit program to encourage landlords in certain census tracts to accept Housing Choice Vouchers to Northern Virginia localities, including Alexandria. Currently, only 18.5% of multifamily properties in Alexandria accept vouchers. The expansion of this tax credit to landlords in Alexandria will encourage participation in the voucher program and potentially expand the affordable housing stock in Alexandria. The bills, which received bipartisan support, are on to the Governor for his final consideration.
- Minimum Wage: HB 395 (Ward) raises Virginia's minimum wage from \$7.25 to \$9.50 an hour on January 1, 2021 and increase it gradually to \$12 an hour in 2023. The bill does not call for an ultimate increase to \$15, but includes the requirement of a study on the impact of minimum wage increases. The study is intended to examine the impact of the increase on employers and workers and then give the General Assembly the opportunity to vote on legislation at a later time that completes the path to \$15 an hour by January 2026. The legislation was passed by both houses of the General Assembly on their final day of bill consideration and is on to the Governor for his likely signature.
- Local Authority to Ban Firearms from Public Buildings, Parks: SB 35 (Surovell) will allow localities to adopt ordinances to ban guns from buildings owned or used by a locality, public parks and recreation centers, and from public streets, sidewalks and rights-of-way during permitted, public events. The legislation passed out of both houses of the General Assembly and is on to the Governor for his likely signature.
- Virginia's Participation in the Regional Greenhouse Gas Initiative: HB 981 (Herring) will bring Virginia into the Regional Greenhouse Gas Initiative (RGGI). 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 both houses of

the General Assembly and is on its way to the Governor for his anticipated signature.

- Climate Change and Clean Energy: The Virginia Clean Economy Act (SB 851/HB 1526) transitions the Commonwealth to a carbon-free economy by 2045 - with a focus on energy efficiency, offshore wind and solar energy as the path to being 100% carbon-free by 2045. The bill dramatically expands renewable energy production in the Commonwealth and preserves affordability for low-income ratepayers. The bills passed out of both the House and Senate and are on their way to the Governor for his final action.
- Drivers Licenses for Undocumented Immigrants: While HB 1211 (Tran) originally allowed undocumented immigrants access to a Virginia drivers license, it was ultimately conformed to mirror SB 34 (Surovell). The bills now authorize the issuance of new “driver privilege cards” by the Department of Motor Vehicles (DMV) to immigrants regardless of their legal status. Proponents framed the proposal as a way to allow immigrants living here to take care of their basic needs while also improving public safety by ensuring everyone on the road has passed a driving test and is insured.

The bill requires anyone applying for a driver privilege card to present an individual tax return filed with the Commonwealth in the preceding 12 months. It does not permit an individual to waive any part of the driver examination. These driver privilege cards and permits will state "NOT VALID IDENTIFICATION FOR FEDERAL, VOTING, OR PUBLIC BENEFIT PURPOSES" in bold print on the face of the card or permit. The measure has 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 the driver privilege cards.

It is estimated that this legislation will afford legal driving privileges to more than 308,000 undocumented immigrants in Virginia. The legislation passed out of both houses of the General Assembly on the final day of bill consideration and is on its way to the Governor for his expected signature.

- Redistricting Reform: After much debate and a proposed alternative, the Constitutional amendment to create a bipartisan redistricting commission of legislators and citizens (SJ 18, Barker) passed out of both the House of Delegates and Senate. The resolution passed the General Assembly for the second time in its same form and will be placed on the ballot for consideration by the voters in November.

Other bills of interest to the City which were recently considered by the General Assembly include:

- Collective Bargaining: HB 582 (Guzman)/SB 939(Saslaw) were conformed give the governing bodies of localities - including school boards - the authority to adopt ordinances/resolutions to allow collective bargaining by their employees. Employees in those localities - including school employees - would continue to be prohibited from striking. The legislation also provides that nothing in the ordinance or resolution adopted to initiate collective bargaining in a locality shall include provisions that restrict the governing body’s authority to establish the budget or appropriate funds. The legislation was passed in both houses of the General Assembly on the final day of bill consideration and is on to the Governor for his final consideration.
- 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 un-level 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. SB735 is the compromise P2P bill, which the compromise peer-to-peer bill provides a lower tax rate (6.5% in FY2021 and 7% in FY2022 and beyond) for a shared vehicle owner who registers no more than 10 peer-to-peer vehicles on a platform. The bill passed out of both bodies of the General Assembly and is on to the Governor for his final consideration.

**ATTACHMENT:**

1. Status Update on All 2020 Bills of Interest

**STAFF:**

Laura B. Triggs, Deputy City Manager  
Sarah Taylor, Legislative Director