

EXHIBIT NO. 1

13
1-23-01

City of Alexandria

MEMORANDUM

DATE: JANUARY 22, 2001
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
THROUGH: PHILIP SUNDERLAND, CITY MANAGER *PS*
FROM: BERNARD CATON, LEGISLATIVE DIRECTOR
SUBJECT: RECOMMENDATIONS AND STATUS REPORT (NO. 1) ON LEGISLATION INTRODUCED AT THE 2001 GENERAL ASSEMBLY SESSION

ISSUE: Recommendations and status report (No. 1) on legislation introduced at the 2001 General Assembly Session.

RECOMMENDATION: That City Council approve the following as recommended by the City Council's legislative subcommittee (Mayor Donley and Councilman Speck):

- (1) Adopt the positions on legislation that has been introduced in the 2001 General Assembly Session as noted in Attachment 1;
- (2) Support House Bill No. 2776, which would authorize each Northern Virginia local government to impose an additional \$.01 sales tax (with half the revenue being used for transportation, and half for education) following an affirmative vote at a referendum to be held on the issue on November 6; and
- (3) Oppose House Bill No. 2725, which proposes a half cent increase in the sales tax, with the resulting revenues appropriated by the General Assembly to transportation projects; and House Bill No. 1950, House Bill No. 2606, and Senate Bill No. 1355, all of which propose the creation of a Northern Virginia Transportation Authority.

DISCUSSION: The 2001 General Assembly Session began on January 10. The deadline for introduction of legislation was Friday, January 19¹. By that date, 2,467 bills and resolutions had been introduced. Not all the bills that have been introduced have been printed at this time. This year's Session is scheduled to adjourn on February 24.

¹There are some exceptions to this rule (e.g., bills can be introduced at the request of the governor), but relatively few bills are introduced after the deadline.

City Package. The following bills from the City's legislative package have been introduced (and the status of bills on which action has been taken is also indicated):

- ▶ **HB 1633** would give immunity from prosecution for child abandonment to parents who take their newborn children to an authorized "safe haven" area, such as a hospital.
- ▶ **HB 2165** would require any non-profit owner of an historic property that is open to the public to give notice to the local governing body, the Attorney General, and the State Department of Historic Resources at least 90 days before the property is sold. This bill was passed by the House Committee on Conservation and Natural Resources and is under consideration by the full House.
- ▶ **HB 2488** would extend to Community Service Boards the same peer review protection that is already provided to hospitals (they are given immunity protection from civil suits for peer review activities; and their records pertaining to peer review activities are considered privileged communications, which ordinarily may not be disclosed or obtained by legal discovery proceedings).
- ▶ **HB 2489**, as introduced, would have authorized all Virginia localities to increase the local recordation tax, and use the increased revenues to purchase or preserve open space. The bill was considered last week by a subcommittee of the House Finance Committee, which recommended on a 7-3 vote that it be passed by the full Committee, but only after it is amended to apply only to Alexandria.
- ▶ **HB 2684** seeks to create a refundable State Earned Income Tax Credit.
- ▶ **HJ 672** requests the State Crime Commission to study: (1) whether to extend the time for which preliminary protective orders are valid; (2) whether to allow the service of final protective orders by mail when the respondent (i.e., alleged abuser) fails to appear at the hearing; and (3) whether to make the third or subsequent violation of a protective order a Class 6 felony.
- ▶ **SB 1002**, which sought to require the Virginia Housing Development Authority to give loans to unrelated individuals who wish to purchase a home and otherwise qualify for VHDA assistance, was defeated last week by the Senate General Laws Committee.
- ▶ **SB 1005** would amend provisions of the State Code to increase the severity of the penalty if a person is convicted of various "hate crimes" (e.g., assault or damage to another person's property) that are motivated by the sexual orientation of another person. This bill was defeated by the Senate Committee on Courts of Justice last week.

- ▶ **SB 1006** would allow localities to use spot blight abatement procedures within conservation and redevelopment areas (these procedures can currently be used anywhere except conservation and redevelopment areas). This bill was passed by the Senate General Laws Committee last week, and is under consideration by the full Senate.
- ▶ **SJ 356** asks the State Housing Study Commission to study ways to assist teachers to purchase homes in the communities in which they teach.

Budget amendments have also been introduced to provide additional funding to the City to assist with renovations to Lloyd House.

Living Wage. Legislation has been introduced in both the House and the Senate (HB 1931 and SB 961) to prohibit the City from using “best value” concepts to require contractors to pay a living wage (as a result of legislation passed by the 2000 General Assembly, localities may consider the “best value,” and not solely the lowest price proposed, when awarding contracts). Alexandria residents and supporters from other localities, the Virginia Municipal League, the Virginia Association of Counties, the AFL-CIO, and the Catholic Diocese of Richmond are working to assist City staff in defeating this legislation. The final vote on these bills is likely to be close, and staff is unable to predict the outcome.

Regional Transportation Issues. A number of bills have been introduced to address Northern Virginia transportation issues. Each of these bills proposes either a new funding source to help meet the region’s transportation needs, or a new regional authority to assume responsibility for a portion of the region’s transportation system. Below are summaries of those bills that were available when this memorandum was prepared (some bills had not yet been printed).

Two of these bills (House Bill Nos. 2776 and 2725) propose additional funding for transportation (and House Bill No. 2776 also proposes additional funding for education).

House Bill No. 2776 (offered by Delegate Jim Dillard) authorizes any city or county in Planning District 8 (Northern Virginia) to levy an additional sales tax of one cent. Other provisions of this bill include the following.

- The revenues from the tax would be split evenly between transportation and public education.
- The revenues from the tax would remain within the locality to be appropriated by the local governing body (they would not go to a regional authority unless the local governing body chose to send them to such an authority).
- The additional tax would not be levied on food for human consumption.

- The locality must hold a referendum on November 6, 2001, seeking the approval of the voters within the locality for this additional sales tax; the locality must then adopt an ordinance imposing the tax by May 6, 2002.

Should the City enact the tax proposed by Dillard, City revenues would increase by approximately \$16 to \$17 million annually (to be divided equally between education and transportation).

House Bill No. 2725 (offered by Delegate Jack Rollison) proposes an additional regional sales tax (again in Planning District 8) of one-half cent to be used solely for transportation. Rollison's proposal differs considerably from Dillard's, and includes the following features.

- Revenues from the additional tax would not be returned to localities, but would be deposited with the State to be allocated by the General Assembly and the Commonwealth Transportation Board.
- This proposal allocates \$2.1 billion (of \$3.2 billion anticipated from the tax) to specific transportation projects, most of which are highway construction projects in Fairfax and Prince William Counties; the only proposed funding directly benefitting the City is \$150 million for Metro rail car purchases (approximately \$25 million of this would be credited to the City).
- This proposal allows a small amount of the new revenue to be used for transit operational costs, but only if these costs result from new or expanded transit projects.
- This bill also calls for a November 6 referendum, but the referendum proposed is a regional one, in which the majority of those voting throughout the region will determine if the additional tax will be approved (i.e., the referendum could fail overwhelmingly in Alexandria, but the additional sales tax would still be levied in the City if a majority of voters throughout the region approve it).

Like Dillard's bill, Rollison's does not levy the additional sales tax on food.

Three bills (House Bill Nos. 1950 and 2606, and Senate Bill No. 1355) provide no new revenues for transportation (or education), but propose new regional transportation authorities.

House Bill No. 1950 (proposed by Delegate Robert Hull) would establish a Northern Virginia Transportation Authority, consisting of Planning District 8, with 2 voting members from each locality. The Authority is not provided with any funding, nor are its transportation responsibilities defined.

House Bill No. 2606 (proposed by Delegate Roger McClure) would create a Northern Virginia Transportation Authority, also consisting of Planning District 8. Components of the bill include the following.

- It would have 17 voting members: 10 from local governments, 5 state legislators, and 2 members of the Commonwealth Transportation Board.
- The Authority would be responsible for long-range transportation planning and would be authorized to issue bonds.
- No money is provided to the Authority, and it is prohibited from collecting taxes.
- The bill abolishes the Northern Virginia Transportation Commission (NVTC), but not the Potomac-Rappahannock Transportation Commission, to which Prince William, Manassas, and Manassas Park belong. Duties of the NVTC, including Metro responsibilities, are transferred to the new Authority (which would have many decision-making members from non-Metro localities).

Senate Bill No. 1355 (proposed by Senator William Mims) also would create a Northern Virginia Transportation Authority, consisting of Planning District 8. Components of the bill include the following.

- It would have 18 voting members: 9 from local governments, 5 state legislators, 2 members of the Commonwealth Transportation Board, and two citizens appointed by the Governor.
- The Authority's responsibilities would include long-range transportation planning, and general oversight of regional mass transit.
- No money is provided to the Authority, and the Commonwealth Transportation Board appears under this proposal to retain its funding authority for transportation projects in the region. The Authority may issue bonds only if authorized by the General Assembly
- The bill abolishes the Northern Virginia Transportation Commission (NVTC), but not the Potomac-Rappahannock Transportation Commission, to which Prince William, Manassas, and Manassas Park belong. Duties of the NVTC, including Metro responsibilities, are transferred to the new Authority (which would have many decision-making members from non-Metro localities). Authority members would also serve as the Virginia members of the Metropolitan (Council of Governments) Transportation Planning Board.

State Budget Issues. The Governor's amendments to the biennial budget were introduced on December 20. Attachment 2 is a copy of a staff analysis of the budget that was previously provided to you. The House Appropriations and Senate Finance Committees have begun their work, and are scheduled to make their recommendations on amendments to the biennial budget on February 4.

Many legislators have voiced their displeasure with the Governor's proposed amendments to the budget. Since revenue growth has slowed so much – growth for the current fiscal year is only 0.2 percent thus far – it is difficult for legislators to find revenues needed to address what they view as

the Governor's shortfalls (e.g., the lack of teachers' salary increases). Many legislators do not believe the State has the resources needed to take the next step in repealing the car tax (going from 47.5 percent State reimbursement to 70 percent) and may try to modify (increasing it to a rate above 47.5 percent but below 70 percent) or freeze the scheduled reimbursement increase.

Staff will provide an analysis of the General Assembly's budget proposals shortly after they are released. The General Assembly will take final action on the budget shortly before adjourning on February 24.

STAFF:

Bernard Caton, Legislative Director
Michele Evans, Assistant City Manager

ATTACHMENTS:

Attachment 1 - Recommended Positions on Bills of Importance to the City, January 20, 2001

Attachment 2 - December 22 Memorandum, "Governor's Proposed Amendments to the Biennial Budget"

Attachment 1
Recommended Positions on Bills of Importance to the City
January 20, 2001

HB1325 Income tax; different tax rate on income derived from sale of certain real estate
Patron - Almand, James F.

Summary:

Income tax; different tax rate on income derived from sale of certain real estate. Provides for the imposition of a 2.3 percent tax rate on the taxable proceeds of a sale of an apartment building or complex to its tenant organization or to a nonprofit organization, effective for taxable years beginning on and after January 1, 2001.

Status Change Dates:

01/15/01 House: Engrossed bill reprinted 005536608-E

City Position: Support

HB1591 Professions and occupations; pawnbrokers

Patron - Callahan, Vincent F. Jr.

Summary:

Professions and occupations; pawnbrokers. Provides for pawnbrokers to charge a uniform interest rate of seven percent per month and a minimum charge of two dollars on loans secured by a pledge of tangible personal property. Current law does not provide for the minimum charge and allows pawnbrokers to charge up to ten percent for loans of \$25 or less, seven percent for loans between \$25 and \$100, and five percent for loans more than \$100. The bill also (i) requires pawnbrokers to take and maintain for at least one year a photographic record of each customer delivering goods, articles or things to be pawned or pledged and (ii) authorizes a service charge of no more than ten percent of the amount loaned.

Status Change Dates:

01/15/01 House: Assigned to General Laws sub-committee: 4

City Position: Support

HB1630 Preservation of historical sites and architectural areas

Patron - Callahan, Vincent F. Jr.

Summary:

Preservation of historical sites and architectural areas. States the policy and purpose for existing provisions that allow localities to adopt ordinances to protect historic landmarks and other areas. Adds architectural areas to those areas that may be included in such an ordinance and defines "architectural area" to include an area where the visual impact of buildings and development can be significant on the economic, cultural, or scenic attributes of the community. Localities that adopt an architectural area district are required to adopt standards to guide decision making within the district.

Status Change Dates:

01/18/01 House: Assigned to Counties, Cities & Towns sub-committee: 2

City Position: Support

HB1633 Emergency custody of certain abandoned children

Patron - Moran, Brian J.

Summary:

Emergency custody of certain abandoned children. Provides that if a parent voluntarily delivers physical custody of a child no older than 72-hours to a licensed hospital and does not express an intent to return for the child, the hospital shall take physical custody of the child, take any action necessary to protect the child's physical health and safety and immediately notify the local board of social services. The parents may remain anonymous and are presumed to have consented to termination of their parental rights. Hospital personnel who accept these children would be immune from civil and criminal liability. The Commonwealth shall reimburse the hospital for the hospital's actual expenses in accepting and caring for the child. The local board of social services shall assume the care, control and custody of the child immediately upon receipt of notice from the hospital and petition the court for a preliminary protective order for the child, hold a hearing the next business day and appoint a guardian ad litem. The bill provides an affirmative defense to prosecution for abuse and neglect for parents solely on the basis that they voluntarily abandoned their child. The bill requires the Board of Health to implement regulations requiring licensed hospitals to implement protocols for taking physical custody of abandoned children. The local department of social services shall contact local law-enforcement to determine whether the abandoned child is a missing child and maintain records on the number of children who have been abandoned and forward the information to the Department of Social Services. The Department of Social Services shall file an annual report with the General Assembly on the statewide number of abandoned children. The Department of Social Services, in conjunction with the Department of Health, shall launch a media campaign to promote safe placement alternatives for newborn infants and publicize the emergency custody for certain abandoned children procedures.

Status Change Dates:

01/18/01 House: Referred to Committee for Courts of Justice

City Position: City Package bill – Support

HB1635 Distribution of general funds to localities

Patron - Diamonstein, Alan A.

Summary:

Distribution of general funds to localities. Requires that two percent of the total general funds be returned to localities based equally on size of population and degree of fiscal stress.

Status Change Dates:

01/16/01 House: Assigned to Finance sub-committee: 1

City Position: Oppose

HB1673 Clustering of single-family detached dwellings

Patron - Albo, David B.

Summary:

Clustering of single-family detached dwellings. Provides that subdivision and zoning ordinances shall contain reasonable provisions allowing the clustering of single-family detached dwellings so as to preserve open space. No local ordinance shall require that a special exception, special use, or conditional use permit be obtained for the clustering of single-family detached dwellings on lots that are up to 20 percent smaller than otherwise required by local ordinance. There is a delayed effective date of July 1, 2002.

Status Change Dates:

01/18/01 House: Assigned to Counties, Cities & Towns sub-committee: 2

City Position: Oppose unless modified to address City concerns about infill developments

HB1692 Religious and charitable matters; affirmation of religious freedom

Patron - Black, Richard H.

Summary:

Religious and charitable matters; affirmation of religious freedom. Prohibits government entities from burdening the free exercise of religion. The bill defines "government entity" as any branch, department, agency or instrumentality of state government, or any political subdivision of the State.

Status Change Dates:

01/18/01 House: Assigned to Courts of Justice sub-committee: 2

City Position: Oppose

HB1697 Department of Housing and Community Development; low interest loans for teachers

Patron - Baskerville, Viola O.

Summary:

Requires the Director of the Department of Housing and Community Development to develop and administer, with any funds made available, a mortgage loan program for teachers under contract with a Virginia school board that shall provide for interest rates below the prevailing rate of interest in Virginia for similar programs and be conditioned on the agreement by such teachers to teach in Virginia for a minimum of three years.

Status Change Dates:

01/19/01 House: Assigned to General Laws sub-committee: 6

City Position: Support

HB1767 Co-location of utility easements; intervention by localities

Patron - Woodrum, Clifton A. (Chip)

Summary:

Co-location of utility easements; intervention by localities. Authorizes local governments through which a pipeline, power or telephone line, water or sewer main or similar work is proposed to be constructed to apply to the State Corporation Commission for an order requiring the location of such facilities within existing utility rights-of-way. Any public service corporation proposing to acquire an easement will be required to file a report with the Commission summarizing its analysis of the feasibility of co-locating its lines with existing easements and provide copies of the report to the local governing bodies. Currently, the Commission is required to hold a hearing on the joint use of an easement only if the corporation owning a right-of-way denies a request for its joint use. The Commission shall direct the joint use if it finds that it is reasonable and that the present or future public utility service of the corporation will not be affected by the joint use.

Status Change Dates:

01/19/01 House: Read first time

City Position: Support

HB1809 Cause of action for false allegation of unlawful discrimination

Patron - McClure, Roger J.

Summary:

Cause of action for false allegation of unlawful discrimination. Allows any person who is the subject of a false allegation of unlawful discrimination, within three years from the date of the false allegation, to bring an action in a court of law for compensatory damages and attorney's fees.

Status Change Dates:

01/15/01 House: Assigned to General Laws sub-committee: 5

City Position: Oppose

HB1817 Parking; local vehicle licenses

Patron - Kilgore, Terry G.

Summary:

Parking; local vehicle licenses. Provides that if parked vehicles do not display required local vehicle licenses, the registered owners of the vehicles will be presumed to be the persons responsible.

Status Change Dates:

01/19/01 House: Communicated to Senate

City Position: Support

HB1829 Impact fees for residential development

Patron - Hargrove, Frank D. Sr.

Summary:

Impact fees for residential development. Allows a locality to adopt an ordinance providing for payment of impact fees for residential development. The impact fee shall be in an amount representing the proportional total or partial cost of capital improvements reasonably related to the transportation, education, emergency services, law enforcement, recreation, library or other needs for public facilities generated by the additional residential development. No impact fee shall be assessed unless the capital improvements related to the additional development have been included in the locality's capital improvement program. All impact fees collected must be used by the locality to complete capital improvements specified in the ordinance.

Status Change Dates:

01/18/01 House: Assigned to Counties, Cities & Towns sub-committee: 2

City Position: Support

HB1835 Inoperable motor vehicles

Patron - Howell, William J.

Summary:

Inoperable motor vehicles. Allows certain localities to enforce violations of inoperable motor vehicle ordinances under its zoning ordinance as it would a zoning violation.

Status Change Dates:

01/15/01 House: Assigned to Counties, Cities & Towns sub-committee: 1

City Position: Support

HB1860 "Photo-red" traffic light signal enforcement programs

Patron - McQuigg, Michele B.

Summary:

"Photo-red" traffic light signal enforcement programs. Authorizes implementation of "photo-red" traffic light signal enforcement programs in Manassas, Manassas Park, and Prince William County. The bill also requires that certificates of inspection of images produced by "photo-red" monitoring systems be sworn to by law-enforcement officers, rather than by technicians or other local government employees.

Status Change Dates:

01/17/01 House: Assigned to M. & P. sub-committee: 2

City Position: Oppose provision that requires a law enforcement officer to affirm a notice of violation

HB1873 Voluntary remediation of contaminated properties

Patron - Deeds, R. Creigh

Summary:

Voluntary remediation of contaminated properties. Expands the voluntary remediation program for properties owned by local governments. The bill eliminates the requirement that local governments pay registration fees when voluntarily remediating their properties. The bill also creates the Virginia Voluntary Remediation Fund, which would provide grants to local governments to help encourage remediation of contaminated properties.

Status Change Dates:

01/17/01 House: Referred to Committee on Appropriations

City Position: Support

HB1888 ABC; refusal to grant license

Patron - Rhodes, Anne G. (Panny)

Summary:

Expands the types of information that the ABC Board must consider in deciding whether to issue an ABC license to include the effects the establishment would have on the character of the neighborhood in which it would be located and objections filed by local residents.

Status Change Dates:

01/15/01 House: Assigned to General Laws sub-committee: 3

City Position: Support

HB1898 Persons with mental illness, mental retardation or substance abuse problems; state and local human rights committees

Patron - Johnson, Joseph P. Jr.

Summary:

Persons with mental illness, mental retardation or substance abuse problems; state and local human rights committees. Clarifies that at least two consumers shall serve on state or local CSB human rights committees who are receiving or have received public or private mental health, mental retardation, or substance abuse treatment or habilitation services.

Status Change Dates:

01/19/01 House: Communicated to Senate

City Position: Support

HB1916 "Photo red" traffic light signal enforcement program

Patron - Van Yahres, Mitchell

Summary:

"Photo red" traffic light signal enforcement program. Adds Charlottesville and Albemarle County to the list of localities authorized to have "photo red" traffic light signal enforcement programs.

Status Change Dates:

01/17/01 House: Assigned to M. & P. sub-committee: 2

City Position: Support

HB1931 Virginia Public Procurement Act; use of best value concepts

Patron - Cox, M. Kirkland

Summary:

Virginia Public Procurement Act; use of best value concepts. Prohibits public bodies from using best value to require contractors to pay "living wage" rates established by the public body.

Status Change Dates:

01/15/01 House: Assigned to General Laws sub-committee: 2

City Position: Oppose

HB1948 Clustering of dwellings

Patron - Hull, Robert D.

Summary:

Clustering of dwellings. Requires localities to include in their subdivision and zoning ordinances provisions allowing the clustering of single-family detached dwellings on lots of lesser size so as to preserve open space. No ordinance shall require that a special use permit be obtained for such clustering.

Status Change Dates:

01/18/01 House: Assigned to Counties, Cities & Towns sub-committee: 2

City Position: Oppose

HB1950 Northern Virginia Transportation Development Authority

Patron - Hull, Robert D.

Summary:

Northern Virginia Transportation Development Authority. Creates the Northern Virginia Transportation Development Authority. The Authority is empowered to issue bonds to finance or assist in the financing of multi-jurisdictional transportation projects under the Public-Private Transportation Act of 1995 in Northern Virginia.

Status Change Dates:

01/10/01 House: Referred to Committee on Transportation

City Position: Oppose

HB1969 Local control of firearms

Patron - McClure, Roger J.

Summary:

Prohibits localities, after January 1, 1987, from adopting any ordinance, resolution, motion, administrative rule or regulation governing the purchase, possession, transfer, ownership, carrying or transporting of firearms, ammunition, or components or combination thereof other than those expressly authorized by statute.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee: 1

City Position: Oppose

HB1994 Imposition and administration of income and property taxes

Patron - Parrish, Harry J.

Summary:

Increases the individual income tax rate by one percent at each level (from 2 to 3 percent, 3 to 4 percent, 5 to 6 percent, and 5 3/4 to 6 3/4 percent) and the corporate income tax rate from 6 to 7 percent, effective January 1, 2002. The bill also limits the rate localities may levy for the personal property tax to \$0.01 per \$100 of assessed value. The Tax Commissioner will administer the additional income tax revenues and distribute them to the localities based on the residence of each individual taxpayer and each locality's share of full-time employees.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 1

City Position: Oppose

HB1999 Local tax administration; warrants, tax bills and security interests

Patron - Parrish, Harry J.

Summary:

Provides that (i) treasurers may deduct other charges in addition to taxes due from a party in whose favor a warrant is drawn, (ii) treasurers may transmit any local tax bill by means of facsimile transmission or e-mail, and (iii) taxes specifically assessed against goods and chattels distrained constitute a lien against the property so assessed.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Support

HB2012 Retirement; health insurance credits

Patron - Jackson, Thomas M. Jr.

Summary:

Raises monthly health insurance credit by \$1 for each year of creditable service to retired (i) state employees, (ii) local employees, constitutional officers & their employees, and local social service employees, and (iii) teachers. Under current law such monthly credit for retirees for each year of service is: (i) \$4 for state employees; (ii) \$1.50 for local employees, constitutional officers & their employees, and local social service employees; and (iii) \$2.50 for teachers.

Status Change Dates:

01/19/01 House: Fiscal impact statement from VRS (HB2012)

City Position: Oppose

HB2017 Individual income tax; distribution of a portion of individual income tax revenues to localities; Localities' Share of Individual Income Tax Revenue Fund

Patron - May, Joe T.

Summary:

Establishes the Localities' Share of Individual Income Tax Revenue Fund into which two percent of individual income tax revenues shall be deposited in 2003 for distribution to localities. The percentage increases two percent each year until it reaches a maximum of 10 percent in 2007. The amount in the fund is to be distributed annually to counties and cities as follows: (i) 50 percent distributed based on the relative share of the total state income tax paid by taxpayers filing returns in each locality; (ii) 40 percent distributed based on where wages are earned; and (iii) 10 percent divided equally among all 135 counties and cities. The amount distributed to counties is then to be shared with towns located within the counties based on the towns' relative share of total population within the county. Fifty percent of the amount distributed to any county with towns would be divided among the county and its towns based on population.

Status Change Dates:

01/20/01 House: Fiscal impact statement from Department of Planning & Budget (HB2017)
City Position: Support (this is the VML/VACO 50/40/10 plan supported by the City)

HB2036 State and local income tax

Patron - Rust, John H. Jr.

Summary:

State and local income tax. (i) Reduces the individual state income tax rates by approximately 13.75 percent; (ii) authorizes localities to impose a local income tax at rates equivalent to the reduction in the state income tax; (iii) exempts from taxation motor vehicles used for nonbusiness purposes; and (iv) repeals the Personal Property ("car tax") Relief Act of 1998. The bill is effective: (i) January 1, 2003, and (ii) only if a Constitutional amendment is ratified by the voters exempting motor vehicles used for nonbusiness purposes from taxation.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 1
City Position: Oppose

HB2058 Requirements for the use of photo-monitoring system to enforce traffic light signals

Patron - McQuigg, Michele B.

Summary:

Provides that prior to considering any ordinance authorizing an authority to use a photo-monitoring system to enforce traffic light signals, also known as "photo-red," the locality must first hold a public hearing and adopt a resolution explaining that certain requirements have been met for each intersection under consideration. The bill further provides that the localities that were already authorized to use photo-red until July 1, 2005, may continue to do so until July 1, 2005. After that, localities must also adopt an ordinance pursuant to the requirements of this bill.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee: 2

City Position: Oppose

HB2075 Fire Programs Fund

Patron - Landes, R. Steven

Summary:

Fire Programs Fund. Allows localities to use funds from the Fire Programs Fund for purchasing preventive medical care and equipment for fire personnel and for payment of personnel costs related to fire and medical training for the general public.

Status Change Dates:

01/19/01 House: Communicated to Senate

City Position: Support

HB2080 Retirement; health insurance credits

Patron - Putney, Lacey E.

Summary:

Raises the monthly health insurance credits by \$1.00 for each year of creditable service to retired (i) state employees, (ii) local employees, constitutional officers and their employees, and local social service employees, and (iii) teachers. Under current law such monthly credit for each year of creditable service is: (i) \$4.00 for retired state employees; (ii) \$1.50 for retired local employees, constitutional officers and their employees, and local social service employees; and (iii) \$2.50 for retired teachers.

Status Change Dates:

01/19/01 House: Fiscal impact statement from VRS (HB2080)

City Position: Oppose

HB2112 Stalking; changes in proof and definitions; penalty

Patron - Suit, Terrie L.

Summary:

Stalking; changes in proof and definitions; penalty. Changes the proof of knowledge of the defendant in a stalking case from actual knowledge to a standard requiring that the defendant know or should know that his stalking conduct places another person in reasonable fear of death, criminal sexual assault, or bodily injury. The bill clarifies that it is not necessary to prove that the defendant had the intent to actually carry out the threat and that the present incarceration of a person making the threat shall not be a bar to prosecution under this section. The bill also provides that any combination of convictions of stalking and misdemeanor criminal sexual assault or assault and battery occurring within five years is a Class 6 felony. The bill also clarifies definitions used in the stalking law.

Status Change Dates:

01/17/01 House: Assigned to Courts of Justice sub-committee: 1

City Position: Support

HB2124 Taxation; collection of local taxes

Patron - Johnson, Joseph P. Jr.

Summary:

Taxation; collection of local taxes. (i) Provides that the statutory setoff applies to all charges collected by the treasurer; (ii) authorizes treasurers to transmit tax bills by electronic means; and (iii) clarifies that the lien for taxes due attaches to property that has been specifically assessed.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Support

HB2130 Concealed handgun permit application, reciprocity, definition of explosion, and satisfaction of photo-identification requirement; penalty

Patron - McClure, Roger J.

Summary:

Defines concealed handgun permit application completion, redefines reciprocity requirements for recognition in Virginia of a permit issued by another state and redefines authority to ascertain another state's permit requirements for reciprocity. The bill also redefines explosion to include the requirement that combustible material causes the explosion. The bill also specifies a DMV-issued photo-identification as an acceptable card to satisfy the requirement that a permit holder carry a government issued photo-identification card. Finally, the bill defines those nightclubs serving alcohol where a handgun would be prohibited, the requirements for posting of the prohibition, and penalties.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee: 1

City Position: Oppose

HB2148 Retirement; health insurance credits for retired teachers

Patron - Dillard, James H. II

Summary:

Reduces from 15 years to five years the amount of creditable service required for eligibility to receive monthly health insurance credits by retired teachers.

Status Change Dates:

01/19/01 House: Fiscal impact statement from VRS (HB2148)

City Position: Support

HB2165 Certain historic properties; notification prior to sale

Patron - Van Lanningham, Marian

Summary:

Requires an owner with tax exempt status under §§ 501 (c) (3) of the IRS Code to provide written notice of the intent to sell certain historic properties at least 90 days prior to the sale or offering of such property for sale. The notification requirement is waived where (i) only a portion of the property is being sold or transferred and the portion not sold remains open to the public at least 120 days a year; (ii) the property is being transferred to another owner with tax exempt status under §§ 501 (c) (3) and the property remains open to the public at least 120 days a year; or (iii) an easement, right-of-way, or leasehold interest in the property is being sold or transferred and the property remains open to the public at least 120 days a year. Failure to provide the required notice will not be the basis for invalidation of the sale, but may subject the terms of the sale to special review by the Attorney General.

Status Change Dates:

01/19/01 House: Read second time and engrossed

City Position: City Package Bill – Support

HB2166 Child protective services differential response system

Patron - Nixon, Samuel A. Jr.

Summary:

Prohibits local departments who are responding to a report or complaint of child abuse or neglect by conducting a family assessment from petitioning the court for services deemed necessary, including, but not limited to, removal of the child or his siblings from their home.

Status Change Dates:

01/15/01 House: Assigned to H. W. I. sub-committee: 2

City Position: Oppose

HB2170 Parking regulation

Patron - Nixon, Samuel A. Jr.

Summary:

Provides that violators of certain local parking ordinances shall be subject to a civil penalty not to exceed \$75, the proceeds from which shall be paid into the locality's general fund.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee: 2

City Position: Oppose

HB2224 Commonwealth Mass Transit Funds

Patron - Almand, James F.

Summary:

Commonwealth Mass Transit Funds. Requires the allocations from the Commonwealth Mass Transit Fund be used to support 80 percent (rather than a maximum of 95 percent) of the costs borne by the localities for the purchase of fuels, lubricants, tires and maintenance parts and supplies for public transportation in 2002, and 95 percent in 2003 and succeeding years.

Status Change Dates:

01/19/01 House: Fiscal impact statement from Department of Planning & Budget (HB2224)

City Position: Oppose

HB2242 Sales and use tax on food purchased for human consumption

Patron - Day, Barnie K.

Summary:

Effective July 1, 2001, exempts food purchased for human consumption, as defined in the Food Stamp Act of 1977, 7 U.S.C. §§ 2012, as amended, from state and local sales and use taxes. The bill provides for a General Fund reimbursement for the current (i) one-half percent of the state sales and use tax paid into the Transportation Trust Fund; (ii) one percent local sales and use tax; and (iii) one percent sales and use tax distributed to localities by school population. .

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Oppose

HB2248 Local sales and use tax

Patron - Day, Barnie K.

Summary:

Local sales and use tax. Authorizes any locality to levy an additional local sales and use tax at the rate of one percent. The revenue generated by the additional tax shall be used solely to build and maintain roads within the locality or within the locality's planning district.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Oppose

HB2249 Individual income tax; distributions to localities

Patron - Day, Barnie K.

Summary:

Individual income tax; distributions to localities. Provides for the distribution to localities of one percent of the revenues collected annually from the individual income tax based on each taxpayer's residence, beginning January 1, 2002. It also establishes a nonreverting fund into which the revenues are to be deposited before being distributed to localities.

Status Change Dates:

01/20/01 House: Fiscal impact statement from Department of Planning & Budget (HB2249)

City Position: Oppose

HB2251 Sales and use tax; temporary exemption

Patron - Day, Barnie K.

Summary:

Sales and use tax; temporary exemption. Provides an exemption from the state sales and use tax for tangible personal property items purchased for the period August 29 through September 7 each year.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Oppose

HB2275 BPOL tax; license fees, rates and requirements

Patron - Shuler, James M.

Summary:

BPOL tax; license fees, rates and requirements. Requires localities that impose the BPOL tax to (i) eliminate license fees by January 1, 2004, (ii) exempt the first \$100,000 of gross receipts from taxation by January 1, 2004, and (iii) reduce the several different rates currently in the Code to a flat rate of 20 cents per \$100 of gross receipts for license years beginning on and after January 1, 2004.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 1

City Position: Oppose

HB2287 Consumer utility taxes; exemption for churches and religious bodies

Patron - Barlow, William K.

Summary:

Consumer utility taxes; exemption for churches and religious bodies. Allows localities' governing bodies to exempt churches and religious bodies from payment of any or all of the consumer utility taxes.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Support

HB2328 Assault and battery against a family or household member; penalty

Patron - Baskerville, Viola O.

Summary:

Assault and battery against a family or household member; penalty. Provides, among other things, that upon conviction for an assault and battery against a family or household member, where it is alleged that (i) such person has been previously convicted of a violation of this section or a violation of a protective order and (ii) within 72 hours of that person's release from incarceration serving sentence for such conviction, commits a violation of this section or a violation of a protective order, such person shall be guilty of a Class 6 felony.

Status Change Dates:

01/19/01 House: Assigned to Courts of Justice sub-committee: 1

City Position: Support

HB2347 Ballistic fingerprinting of handguns; penalty

Patron - McEachin, A. Donald

Summary:

Ballistic fingerprinting of handguns; penalty. Requires that any manufacturer of firearms that ships or transports a handgun to be sold, rented, or transferred in the Commonwealth of Virginia shall include, in the box with the handgun in a separate sealed container, a shell casing of a projectile discharged from that handgun and any additional information that may be required by the Superintendent of State Police that identifies the type of handgun and shell. The bill also provides that upon receipt of a handgun from the manufacturer, the dealer shall confirm to the Department of State Police that the manufacturer complied with the provisions of subsection B and that upon the sale or transfer of the handgun, the dealer shall forward the shell casing in the sealed container to the Department of State Police and that upon receipt of the shell casing and any required additional information, the Department of State Police shall enter the information in all pertinent databases. Violation of the section would be a Class 1 misdemeanor.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee: 1

City Position: Support

HB2386 Religious and charitable matters; religious freedom preserved

Patron - McClure, Roger J.

Summary:

Religious and charitable matters; religious freedom preserved. Provides that no government entity shall substantially burden a person's free exercise of religion except if (i) the government entity proves that application of the restriction to the person is essential to further a compelling governmental interest and (ii) the proposed action is the least restrictive means of furthering that interest. "Government entity" as defined under the bill includes state and local governments and those officials acting under color of state law. The bill provides that a person whose exercise of religious freedom has been burdened may assert a claim of violation in a judicial proceeding and the court may grant appropriate relief, including attorneys' fees.

Status Change Dates:

01/15/01 House: Assigned to General Laws sub-committee; 6

City Position: Oppose

HB2409 Funding of local health departments

Patron - Bryant, L. Preston Jr.

Summary:

Funding of local health departments. Requires, notwithstanding any other provision of law or regulation to the contrary, the Board of Health to include, in any agreement with any county or city for the operation of its health department or any funding allocation for any independent local health department, a stipulation for the Commonwealth to assume, on a phased-in basis, the full costs of such services and operations of the various local health departments as are required by state law. The Board's funding allocations must provide for such yearly incremental increases to reach 100 percent state funding of all required local health department services and operations over a five-year period, beginning on July 1, 2002, and ending on June 30, 2006.

Status Change Dates:

01/18/01 House: Fiscal impact statement from Department of Planning & Budget (HB2409)

City Position: Oppose

HB2415 Legislative consideration of use of photo-monitoring system to enforce traffic light signals

Patron - May, Joe T.

Summary:

Legislative consideration of use of photo-monitoring system to enforce traffic light signals. Provides that prior to considering any legislation authorizing an authority to use a photo-monitoring system to enforce traffic light signals, also known as "photo-red," the locality must adopt a resolution requesting the General Assembly for such authority and explaining the need for using photo-red. Such resolution must be submitted to the committee of the General Assembly considering such legislation. The bill further provides that the localities that were authorized to use photo-red prior to July 1, 2001, and have in fact been using photo-red may continue to do so until July 1, 2005. After July 1, 2005, such localities must also be granted authority to use photo-red by legislation enacted pursuant to the requirements of this bill.

Status Change Dates:

01/19/01 House: Assigned to Militia & Police sub-committee; 2

City Position: Oppose

HB2444 Parking fines; personal property taxes on vehicles

Patron - Almand, James F.

Summary:

Parking fines; personal property taxes on vehicles. Allows local governing bodies to enter into regional compacts for the inter-jurisdictional enforcement of local parking and vehicular personal property tax ordinances.

Status Change Dates:

01/10/01 House: Referred to Committee on Transportation

City Position: Support

HB2452 Sale price of motor vehicles subject to the motor vehicle sales and use tax

Patron - Clement, Whittington W.

Summary:

Sale price of motor vehicles subject to the motor vehicle sales and use tax. Reduces the taxable price of a motor vehicle for purposes of determining motor vehicle sales and use tax liability by the value of any motor vehicle taken in trade. The amount of credit for a vehicle taken in trade is the lesser of the allowance given by the seller or the wholesale value of the vehicle as specified in a recognized pricing guide.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee; 1

City Position: Oppose

HB2472 Electric utility restructuring; renewable energy

Patron - Plum, Kenneth R.

Summary:

Electric utility restructuring; renewable energy. Defines renewable energy as energy that is derived from the sun or other natural processes and is replenishable by natural processes over relatively short time periods. It specifically includes energy derived from sunlight, wind, falling water, sustainable biomass, energy from waste, wave motion, tides, and geothermal power, and excludes energy derived from coal, oil, natural gas or nuclear power. This is a recommendation of the Consumer Advisory Board established under the Electric Utility Restructuring Act.

Status Change Dates:

01/19/01 House: Read first time

City Position: Support

HB2488 Civil immunity and privileged communications

Patron - Moran, Brian J.

Summary:

Civil immunity and privileged communications. Provides immunity from civil liability for any act, decision, omission, or utterance made by a member of a community services board or a behavioral health authority in the performance of his duties, as long as such act, decision, omission, or utterance is not done in bad faith or with malice. While providing such immunity, the bill ensures that the minutes, records, and reports of such bodies are not privileged communications.

Status Change Dates:

01/19/01 House: Assigned to Courts of Justice sub-committee: 2

City Position: City Package Bill - Support

HB2489 Taxation; local recordation tax rates

Patron - Moran, Brian J.

Summary:

Taxation; local recordation tax rates. Increases the maximum local recordation tax rate from one-third of the state recordation tax rate to two-thirds of the state recordation tax rate. Any increased revenues resulting from such increase in the maximum tax rate shall be used exclusively for acquiring and preserving open-spaces.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: City Package Bill - Support

HB2511 Sales and use tax exemption; school-related items

Patron - Reid, John S. (Jack)

Summary:

Sales and use tax exemption; school-related items. Provides a sales and use tax exemption for certain school-related items purchased during a specific one-week period during the end of August each year. The exempt items are: (i) school supplies, footwear, and clothing where the selling price of each item is \$100 or less; (ii) computer systems where the selling price for each system is \$1,500 or less; and (iii) computers, computer hardware, computer software, and portable calculators where the selling price for each item is \$500 or less. The bill also authorizes dealers to absorb the sales and use tax on all other items sold during the same time period and thereby relieve the purchaser of the obligation to pay such tax. Dealers who absorb such taxes are liable for payment of the same to the Tax Commissioner.

Status Change Dates:

01/18/01 House: Assigned to Finance sub-committee: 2

City Position: Oppose

HB2598 Fire emergencies

Patron - Putney, Lacey E.

Summary:

Fire emergencies. Provides that the property owner or occupant shall not be denied access to his property during an emergency incident if the access does not interfere with the duties of the fire department.

Status Change Dates:

01/19/01 House: Assigned to General Laws sub-committee: 4

City Position: Oppose

HB2606 Northern Virginia Transportation Authority

Patron - McClure, Roger J.

Summary:

Northern Virginia Transportation Authority. Establishes the Northern Virginia Transportation Authority to consolidate the roles of the Northern Virginia Transportation District Commission and other regional transportation entities. The Authority is given general responsibility for transportation projects, programs, and priorities for Northern Virginia, and is vested with the ability to issue bonds, subject to General Assembly approval. The bill also provides for a study of its provisions and possible additions to its provisions by the joint subcommittee to study creation of a Northern Virginia Regional Transportation Authority (established by SJR 121 of the 2000 Session). The bill would not become effective until July 1, 2002.

Status Change Dates:

01/10/01 House: Referred to Committee on Transportation

City Position: Oppose

HJ609 Constitutional amendment (first resolution); taxation; exemptions

Patron - Rust, John H. Jr.

Summary:

Constitutional amendment (first resolution); taxation; exemptions. Exempts from taxation motor vehicles used for nonbusiness purposes.

Status Change Dates:

01/10/01 House: Referred to Committee on Privileges and Elections

City Position: Oppose

HJ610 Study; Northern Virginia Regional Transportation Authority

Patron - Rust, John H. Jr.

Summary:

Study; Northern Virginia Regional Transportation Authority. Extends for an additional year the mandate of the Joint Subcommittee to Study Creation of a Northern Virginia Regional Transportation Authority, established in 2000 pursuant to Senate Joint Resolution No. 121.

Status Change Dates:

01/10/01 House: Referred to Committee on Rules

City Position: Support

HJ613 Study; transportation authority for Planning District VIII

Patron - Marshall, Robert G.

Summary:

Study; transportation authority for Planning District VIII. Creates a 10-member joint subcommittee to study the creation of a transportation authority for Planning District VIII.

Status Change Dates:

01/10/01 House: Referred to Committee on Rules

City Position: Oppose

HJ644 Study; Northern Virginia Transportation Compact

Patron - Bolvin, Thomas M.

Summary:

Study; Northern Virginia Transportation Compact. Requests the Virginia Department of Transportation to study the Northern Virginia Transportation Compact developed by the Northern Virginia business community in an effort to address the region's transportation needs and report to the Governor on the desirability and feasibility of implementing the Compact's recommendations.

Status Change Dates:

01/10/01 House: Referred to Committee on Rules

City Position: Oppose

HJ672 Study; protective orders

Patron - Moran, Brian J.

Summary:

Study; protective orders. Directs the Virginia State Crime Commission to study procedures involving protective orders.

Status Change Dates:

01/10/01 House: Referred to Committee on Rules

City Position: City Package Bill - Support

HJ680 Study; responsibility for secondary highways and mass transit in Northern Virginia

Patron - O'Brien, James K. (Jay) Jr.

Summary:

Study; responsibility for secondary highways and mass transit in Northern Virginia. Requests the Secretary of Transportation to study the desirability and feasibility of transferring responsibilities for secondary highways in Northern Virginia from the Virginia Department of Transportation to the region's counties and vesting in the Virginia Department of Rail and Public Transportation exclusive responsibility for the region's mass transit programs and facilities.

Status Change Dates:

01/10/01 House: Referred to Committee on Rules

City Position: Oppose

SB815 Unlawful employment practices; sexual orientation

Patron - Whipple, Mary Margaret

Summary:

Unlawful employment practices; sexual orientation. Prohibits employers employing more than five but less than 15 persons from discharging an employee on the basis of sexual orientation.

Status Change Dates:

01/15/01 Senate: Rereferred to Courts of Justice

City Position: Support

SB912 Permanent foster care placement

Patron - Potts, H. Russell Jr.

Summary:

Permanent foster care placement. Provides a local department of social services or a licensed child-placing agency with the authority to place a child over whom it has had legal custody for not less than 18 months whether or not such child has need of treatment services in a permanent foster care placement or child-caring institution licensed pursuant to §63.1-196. This bill contains technical amendments.

Status Change Dates:

01/19/01 Senate: Rereferred to Finance

City Position: Oppose

SB933 Firearm locks required for sale or transfer of handguns; warning against accessibility to children; penalty

Patron - Howell, Janet D.

Summary:

Firearm locks required for sale or transfer of handguns; warning against accessibility to children; penalty. Makes it unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun (i) to any person other than a licensed manufacturer, licensed importer, or licensed dealer, unless the transferee is provided with a locking device for that handgun, or (ii) to any person, unless the handgun is accompanied by a warning in conspicuous and legible type in capital letters printed on a label affixed to the gun and on a separate sheet of paper included within the packaging enclosing the handgun, warning that handguns should be locked and kept away from children and that there may be civil and criminal liability for failing to do so.

Status Change Dates:

01/18/01 Senate: Fiscal impact statement from Department of Planning & Budget (SB933)

City Position: Support

SB947 "Photo-red" traffic light signal enforcement programs

Patron - Colgan, Charles J.

Summary:

"Photo-red" traffic light signal enforcement programs. Adds Albemarle, James City, Prince William, and York Counties and the cities of Charlottesville, Hampton, Manassas, Manassas Park, and Newport News to the list of localities authorized to have "photo-red" traffic light signal enforcement programs. The bill also requires that certificates of inspection of images produced by "photo-red" monitoring systems be sworn to by law-enforcement officers, rather than by technicians or other local government employees.

Status Change Dates:

01/19/01 Senate: Communicated to House

City Position: Oppose provision that requires a law enforcement officer to affirm a notice of violation

SB961 Virginia Public Procurement Act; use of best value concepts

Patron - Martin, Stephen H.

Summary:

Virginia Public Procurement Act; use of best value concepts. Prohibits public bodies from using best value to require contractors to pay "living wage" rates established by the public body.

Status Change Dates:

01/10/01 Senate: Referred to Committee on General Laws

City Position: Oppose

SB1002 Housing Development Authority; regulations

Patron - Ticer, Patricia S.

Summary:

Housing Development Authority; regulations. Requires the Housing Development Authority to develop regulations providing that single-family mortgage loans may be made to more than one person if the persons to whom the loan is to be made are living together in the dwelling as a single, nonprofit housekeeping unit.

Status Change Dates:

01/17/01 Senate: Passed by indefinitely in General Laws (8-Y 5-N 1-A)

City Position: City Package Bill – Support (although bill has been defeated)

SB1005 Hate crimes; penalty

Patron - Ticer, Patricia S.

Summary:

Hate crimes; penalty. Adds sexual orientation to the categories of victims whose selection for a "hate crime" involving assault or trespass amplifies the Class 1 misdemeanor or Class 6 felony penalty. The penalty includes a six-month sentence, 30 days of which are a mandatory, minimum term. The bill also expands the terroristic act reporting requirements of the State Police, and the availability of specific injunctive relief for acts motivated by hate.

Status Change Dates:

01/17/01 Senate: Passed by indefinitely in Courts of Justice (9-Y 6-N)

City Position: City Package Bill – Support (although bill has been defeated)

SB1006 Spot blight abatement

Patron - Ticer, Patricia S.

Summary:

Spot blight abatement. Allows the use of the spot blight abatement procedures anywhere in a locality, whether inside or outside of a conservation or redevelopment area.

Status Change Dates:

01/19/01 Senate: VOTE: CONST. READING. DISPENSED R (39-Y 0-N)

City Position: City Package Bill – Support

SB1008 Child day care funding for low-income families

Patron - Ticer, Patricia S.

Summary:

Child day care funding for low-income families. Requires the Department to identify and implement strategies for Virginia to obtain the maximum amount of federal funds available for child day care services for TANF recipients and families whose incomes are at or below 200 percent of the federal poverty level. The Department shall provide an annual report to the chairmen of the House Appropriations and Senate Finance Committees by December 15 on the implementation and effects of these strategies.

Status Change Dates:

01/17/01 Senate: Communicated to House

City Position: Support

SB1063 Allocation of funds from the Virginia Land Conservation Fund

Patron - Quayle, Frederick M.

Summary:

Allocation of funds from the Virginia Land Conservation Fund. Provides that the Virginia Land Conservation Foundation may make direct (rather than matching) grants from the Virginia Land Conservation Fund to counties and municipalities. The bill eliminates the requirements that (i) a public body jointly hold an interest in land with a private holder where the holder acquires an interest in land as a result of a grant or transfer from the Foundation and (ii) a public body hold an open space easement whenever a private holder acquires a fee simple interest in land as a result of a grant or transfer from the Foundation. The bill also provides that 25 percent of the unrestricted funds in the Fund are to be distributed to the Open-Space Lands Preservation Trust Fund and that the remainder is to be distributed in a manner that the Board of Trustees of the Virginia Land Conservation Foundation deems most appropriate to bring about goals of the Fund.

Status Change Dates:

01/18/01 Senate: Fiscal impact statement from Department of Planning & Budget (SB1063)

City Position: Support

SB1081 Comprehensive Services Act for At-Risk Youth and Families

Patron - Maxwell, W. Henry

Summary:

Comprehensive Services Act for At-Risk Youth and Families. Provides that local governing bodies cannot be required to provide any local match share of Medicaid provider payments, when collected by the Office of Comprehensive Services on behalf of the Department of Medical Assistance Services to be paid into the "Comprehensive Services Act Local Match Fund" pursuant to the budget or other state law, for Medicaid-eligible children or youth who are placed in residential treatment or care or therapeutic foster care. Local governments are still required to provide their share of special education and foster care costs.

Status Change Dates:

01/19/01 Senate: Rereferred to Finance

City Position: Support

SB1083 Sales and use tax increase; exemption of certain motor vehicles and boats from tangible personal property taxation

Patron - Colgan, Charles J.

Summary:

Sales and use tax increase; exemption of certain motor vehicles and boats from tangible personal property taxation. Provides for a one and one-half percent increase in the retail sales and use tax and exempts certain motor vehicles and boats from local tangible personal property taxation, provided that a constitutional amendment exempting such motor vehicles and boats is ratified by a majority of voters voting on such measure in November 2002. The tax exemptions and the additional one and one-half percent sales and use tax are effective January 1, 2003. The revenue from the increase in the sales and use tax shall be used to make payments to localities in lieu of the current funding processes in place to reimburse localities under the Personal Property Tax Relief Act of 1998. The new funding mechanism will begin in calendar year 2003. In general, the amount funded to (i) a county shall be the amount funded to the county in the preceding calendar year plus fifteen percent of any increase in the state sales and use tax revenue over the preceding fiscal year; (ii) a city shall be the amount funded to the city in the preceding calendar year plus eleven percent of any increase in the state sales and use tax revenue over the preceding fiscal year; and (iii) a town shall be the amount funded to the town in the preceding calendar year plus five percent of any increase in the state sales and use tax revenue over the preceding fiscal year. Each locality will have a base year funding amount. The base year funding amount shall equal (i) for a county, fifteen percent of its total local tax revenues collected in fiscal year 1997; (ii) for a city, eleven percent of its total local tax revenues collected in fiscal year 1997; and (iii) for a town, five percent of its total local tax revenues collected in fiscal year 1997. The base year amount is used for purposes of determining initial funding amounts to counties, cities, and towns in calendar year 2003.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Finance

City Position: Oppose

SB1108 Requirements for the use of photo-monitoring system to enforce traffic light signals

Patron - Couric, Emily

Summary:

Requirements for the use of photo-monitoring system to enforce traffic light signals. Provides that prior to considering any ordinance authorizing an authority to use a photo-monitoring system to enforce traffic light signals, also known as "photo-red," the locality must first hold a public hearing and adopt a resolution explaining that certain requirements have been met for each intersection under consideration. The bill further provides that the localities that were already authorized to use photo-red until July 1, 2005, may continue to do so until July 1, 2005. After July 1, 2005, such localities must also adopt an ordinance authorizing the use of photo-red pursuant to the requirements of this bill.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Transportation

City Position: Oppose

SB1117 Thermal Imaging Camera Advisory Board and Fund

Patron - Edwards, John S.

Summary:

Thermal Imaging Camera Advisory Board and Fund. Establishes the Thermal Imaging Camera Fund to assist local fire departments, other fire services organizations and local governments to purchase thermal imaging cameras. The bill also creates a nine member Thermal Imaging Camera Advisory Board to assist the Department of Fire Programs in providing grants to these entities to purchase thermal imaging cameras. The members of the board are appointed by the Governor and consist of three members each from the following organizations: the State Fire Chief's Association, the Virginia Professional Firefighters Association, and the Virginia Firefighters Association.

Status Change Dates:

01/17/01 Senate: Fiscal impact statement from Department of Planning & Budget (SB1117)

City Position: Support

SB1123 Eminent domain; litigation expenses

Patron - Edwards, John S.

Summary:

Eminent domain; litigation expenses. Entitles a condemnee to payment of reasonable fees for attorneys, appraisers, and other experts incurred in condemnation litigation if the amount of compensation awarded exceeds the condemnor's highest written offer. The amount of the litigation expenses to be awarded is up to one-third of the amount by which the compensation awarded exceeds the condemnor's highest written offer.

Status Change Dates:

01/10/01 Senate: Referred to Committee for Courts of Justice

City Position: Oppose

SB1124 Location of utility easements

Patron - Edwards, John S.

Summary:

Location of utility easements. Authorizes any person residing or owning property within one-half mile of a proposed utility line to apply to the State Corporation Commission for an order requiring that the proposed facilities be co-located within the existing right-of-way of another public service corporation. The public service corporation proposing to acquire an easement will be required to file a report with the Commission summarizing its analysis of the feasibility of co-locating its lines with existing easements and to publish a summary of the report's conclusion in newspapers of general circulation in the affected localities. Currently, the Commission is required to hold a hearing on the joint use of an easement only if the corporation owning a right-of-way denies a request for its joint use. The SCC shall direct the joint use of the existing easement if it finds that it is reasonable and that the present or future public utility service will not be affected by the joint use.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Commerce and Labor

City Position: Support

SB1171 Eminent domain; litigation expenses

Patron - Marye, Madison E.

Summary:

Eminent domain; litigation expenses. Authorizes a court, in its discretion, to award reasonable fees for attorneys, appraisers, and other experts incurred in condemnation litigation if the amount of compensation awarded exceeds the condemnor's highest written offer by 15 percent or more. In determining the amount of such fees to be awarded, the court is to consider, among such other factors as it deems relevant, the benefit provided to the condemnee by any of the professional or expert witnesses for whom the litigation expenses were incurred. In determining whether to make an award, the court may consider (i) the extent that the condemnee engaged in conduct that unduly and unreasonably protracted the final resolution of the action; (ii) whether the position of the condemnor was substantially justified; and (iii) whether special circumstances make the award of litigation expenses unjust. This bill was recommended by the Joint Subcommittee Studying Eminent Domain Issues.

Status Change Dates:

01/10/01 Senate: Referred to Committee for Courts of Justice

City Position: Oppose

SB1175 Mandatory mediation in eminent domain proceedings

Patron - Marye, Madison E.

Summary:

Mandatory mediation in eminent domain proceedings. Provides that in an eminent domain proceeding, if any party requests mediation, the petitioner and the parties shall be referred by the court to a dispute resolution evaluation session prior to the trial to determine just compensation. This bill refers the parties to the dispute resolution system already contained in the civil procedure section of the Code of Virginia (§ 8.01-576.4 et seq.). The Joint Subcommittee Studying Eminent Domain Issues recommended this bill.

Status Change Dates:

01/10/01 Senate: Referred to Committee for Courts of Justice

City Position: Support

SB1176 Public Procurement Act; public construction contract provisions for damages for unreasonable delays

Patron - Ticer, Patricia S.

Summary:

Public Procurement Act; public construction contract provisions for damages for unreasonable delays. Deletes prohibition on contract provisions waiving or releasing the rights of a contractor to recover costs or damages to the extent that the delay is caused by act or omissions of a public body.

Status Change Dates:

01/19/01 Senate: Fiscal impact statement from Department of Planning & Budget (SB1176)

City Position: Support

SB1233 Uniform Statewide Building Code; effect on local ordinances

Patron - Williams, Martin E.

Summary:

Uniform Statewide Building Code; effect on local ordinances. Restricts localities from incorporating certain building design requirements in their local zoning ordinances by providing that the USBC supercedes such ordinances. The bill also specifies that the USBC does not supercede proffered conditions accepted as a part of a rezoning application, conditions imposed upon the grant of special exceptions, special or conditional use permits or variances, or land use requirements in airport or highway overlay districts, or historic districts. This bill is a recommendation of the Housing Study Commission.

Status Change Dates:

01/19/01 Senate: VOTE: CONST. READING. DISPENSED R (39-Y 0-N)

City Position: Support

SB1255 Sales and use tax exemption; school-related items

Patron - Norment, Thomas K. Jr.

Summary:

Provides a sales and use tax exemption for certain school-related items purchased during a specific one-week period during the end of August each year. The exempt items are: (i) school supplies, footwear, and clothing where the selling price of each item is \$100 or less; (ii) computer systems where the selling price for each system is \$1,500 or less; and (iii) computers, computer hardware, computer software, and portable calculators where the selling price for each item is \$500 or less.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Finance

City Position: Oppose

SB1310 Sales and use tax; limited exemption for certain clothing and footwear

Patron - Newman, Stephen D.

Summary:

Exempts clothing and footwear from the state sales and use tax for a nine-day period each August, provided the article costs \$100 or less. The sales tax holiday will begin in calendar year 2002. Sales of clothing and footwear at theme parks shall not be exempt.

Status Change Dates:

01/19/01 Senate: Fiscal impact statement from TAX (SB1310)

City Position: Oppose

SJ307 Constitutional amendment (first resolution); restoration of right to vote for felons
Patron - Miller, Yvonne B.

Summary:

Authorizes the General Assembly to provide by law, or establish a process by law, for the restoration of civil rights for felons who have completed service of sentence, probation, and parole and met such other conditions or limitations as may be prescribed by law.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Privileges and Elections

City Position: Support

SJ322 Study; Van Dorn Street corridor

Patron - Puller, Linda T. (Toddy)

Summary:

Study; Van Dorn Street corridor. Requests the Virginia Department of Transportation to study the Van Dorn Street corridor in Fairfax County and the City of Alexandria.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Rules

City Position: Support

SJ356 Study; Housing Study Commission

Patron - Ticer, Patricia S.

Summary:

Study; Housing Study Commission. Requests the Housing Study Commission to study ways to assist teachers to purchase homes in the communities in which they teach.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Rules

City Position: City Package Bill - Support

SJ397 Study; Northern Virginia Regional Transportation Authority

Patron - Barry, Warren E.

Summary:

Extends for a year the Joint Subcommittee to Study Creation of a Northern Virginia Regional Transportation Authority, established in 2000 pursuant to Senate Joint Resolution No. 121.

Status Change Dates:

01/10/01 Senate: Referred to Committee on Rules

City Position: Support

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 22, 2000

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: PHILIP SUNDERLAND, CITY MANAGER *PS*

FROM: BERNARD CATON, LEGISLATIVE DIRECTOR *BC*

SUBJECT: GOVERNOR'S PROPOSED AMENDMENTS TO THE BIENNIAL BUDGET

On December 20, Governor Gilmore released his proposed amendments to the biennial budget. Among the highlights of the proposals are these items:

- The phase-in of the car tax is continued (in 2001, the State is scheduled to pay 70 percent of the taxes on up to \$20,000 of a car's value).
- A salary increase is proposed for State employees (an average of 3.5 percent for all State employees, beginning in November 2001), but no State-funded increase is proposed for teachers. In addition, no salary increase appears to be included for state-funded local employees (e.g., social service employees, constitutional officers, CSB employees).
- The budget assumes that a major portion of the future money coming to the State from the federal tobacco settlement (\$460 million) will be securitized (sold to investors), and that the funds the State receives from this securitization will be used for capital improvements and other purposes. Many of the capital improvements that are being funded by the tobacco securitization are already in the budget, but are being funded by State general funds. By using the tobacco funds, the freed up general funds can be used to make up for general fund budget shortfalls and for other purposes.
- No money is included for the next phase of the reduction in the sales tax on food (the tax has been lowered from 4.5 to 4 percent, and was supposed to be lowered to 3.5 percent in April 2001).

The following proposals, if implemented, will have negative impacts on funds which City programs receive from the State:

- Small reductions (we do not yet know the exact amounts) will be made in State payments to the following departments and programs: the Finance Department, State assistance to local

law enforcement (HB 599), the Small Business Development Center, and the Northern Virginia Regional Partnership.

- The State is seeking to have localities assume responsibility for funding a significant portion of the health care costs for public school retirees; staff is unable to determine the specific fiscal impact this will have on the City.

In addition, many State agencies are being required to develop "executive management savings" plans that will result in reductions to their current biennial budgets of 3 percent this fiscal year, and 6 percent in FY 2002. Savings are to be achieved by management actions such as "improved business practices, technology enhancements, operational efficiencies, or other cost-containment measures." The agencies' plans are not due to the State Department of Planning and Budget until after the General Assembly Session, so there is no way to determine whether these savings will have a fiscal impact City programs. Savings for the State Health Department must total \$3.6 million for the biennium; savings for the Department of Mental Health, Mental Retardation and Substance Abuse must equal \$ 8.8 million; and the Department of Social Services must identify \$5.1 million in savings. It is likely that those City departments that receive State aid will see this aid reduced in some areas.

Staff will continue to monitor the proposed changes to the State budget, and will include information on them in the legislative reports that are provided to Council during the General Assembly Session.

cc: Michele Evans, Assistant City Manager
Mark Jinks, Assistant City Manager
Lori Godwin, Assistant City Manager
Carol Moore, Acting Deputy Director, OMB
Department Heads

EXHIBIT NO. 213
1-23-01**Transportation Coordinating Council of Northern Virginia**

January 22, 2001

Dear Northern Virginia Delegation Member:

On behalf of the Transportation Coordinating Council (TCC) of Northern Virginia, our thanks for the extensive effort that the delegation is applying to addressing our concerns for enhanced transportation resources for Northern Virginia. As you will recall, our 2020 Plan cited an approximately \$31 billion in needs, with a \$15 billion shortfall over the next 25 years. In short, given current levels of funding it will be difficult to achieve our 2010 priorities by the year 2025.

We do, however, have serious concerns about several bills under consideration that would establish a Northern Virginia transportation authority.

We are supportive of the thrust of what you are trying to do. A growing number of local elected officials now believe that a Northern Virginia transportation authority – *with a dedicated funding source* – is needed. We recognize that the principle of “self help” is the most realistic approach to addressing our transportation crisis in Northern Virginia and the metropolitan Washington region. We look forward to working with you to make this happen.

Unfortunately, it is premature to initiate legislation for a Northern Virginia transportation authority at this time. We urge the continuation of the needed dialogue to resolve the details of any proposed authority. This would best be accomplished by the passage of Senate Joint Resolution 397 and House Joint Resolution 610, which would extend the Barry Commission until next session. Other bills should be carried over until next year.

This is one of those situations in which it is literally true that “the devil is in the details.” In their present form, Senate Bill 1355 and House Bill 2606 raise a number of serious legal and financial issues. Many of these arise because the proposed legislation would abolish the Northern Virginia Transportation Commission (NVTC), something which is not critical to the concept of an authority nor advisable at this time. NVTC has done its job well, and numerous relationships and arrangements are based upon its existenc.

Specific concerns with the proposed legislation include:

- **Impact on existing obligations.** NVTC has millions of dollars of outstanding bonds. The proposed legislation may threaten the credibility of this existing debt, with the further concern that the participating jurisdictions could be in the position of

assuming the burden from any unintended consequences of changes in structure. This could result in a downgrading of the bond ratings of local governments.

- **Impact on VRE.** The standing of the Virginia Railway Express (VRE) could be thrown into doubt. VRE is a joint enterprise of NVTC and PRTC based on a master agreement with eight local jurisdictions.
- **Governance.** The proposed legislation reduces significantly the role of Northern Virginia's locally elected officials in the decision-making process. This is inconsistent with the practice of the Transportation Coordinating Council (TCC) and our relationship with the National Capital Region Transportation Planning Board (TPB), our regional metropolitan planning organization. Without strong consensus of the locally elected officials in any Northern Virginia authority, we stand the danger of inadequate public support and disagreements being carried over into the metropolitan Washington arena (as local elected officials are dominant on the TPB).
- **Costs.** The proposed legislation changes the cost-sharing method among jurisdictions, imposing new obligations on localities. The nature and potential extent of the administrative costs that may be incurred is not clear.
- **Bonding authority.** Proposed legislation would constrain a new authority's bonding authorization by requiring General Assembly approval. This is a lessening of the existing authority under NVTC. In addition to lessening existing authority, it would severely weaken the ability of any authority to seek the best timing and rates for bonds as approval would be tied to General Assembly cycles.

These and other concerns illustrate the potential unintended consequences of acting too hastily. We are anxious to move forward on the challenges of transportation in our region. Let's ensure that we get it right the first time, however.

Let the process you established last year with SJR 121 work its course. If desirable, direct the Barry Commission to address these issues and develop ways to resolve them to prepare for legislation that can be enacted next year.

Our thanks for your efforts on behalf of Northern Virginia.

S/

J. Kenneth Klinge
Chairman

S/

John Mason
Vice Chairman



NVTC

Northern Virginia Transportation Commission

Chairman
Hon. Kerry J. Donley

Vice Chairman
Hon. Christopher Zimneman

Secretary/Treasurer
Hon. Elaine McConnell

Commissioners:
City of Alexandria
Hon. Kerry J. Donley
Hon. William D. Euille

Arlington County
Hon. Paul Ferguson
Hon. Jay Fisetta
Hon. Christopher Zimmerman

Fairfax County
Hon. Sharon Bukova
Hon. Gerald E. Connolly
Hon. Katherine K. Hanley
Hon. Dana Kauffman
Hon. Elaine McConnell

City of Fairfax
Hon. Scott Silverthorne

City of Falls Church
Hon. David F. Snyder

Loudoun County
Hon. William D. Bogard

Virginia Department of Rail
and Public Transportation
Leo J. Bevon

Virginia General Assembly
Sen. William C. Mims
Sen. Mary Margaret Whipple
Del. James F. Almand
Del. Richard H. Black
Del. Roger J. McClure

Executive Director
Richard K. Taube

January 22, 2001

Northern Virginia General Assembly Delegation Members
Richmond, Virginia

Dear General Assembly Member:

The Northern Virginia Transportation Commission's Executive Committee has reviewed several General Assembly bills that would establish a new transportation authority in Northern Virginia. Some of our members serve on Senator Barry's SJR 121 Subcommittee which, upon the recommendation of its leadership from the General Assembly, voted to continue its work over the next year to gain consensus on the purpose for a new authority and its best means of implementation.

Accordingly, we strongly support SJR 397/HJR 610 which would extend Senator Barry's subcommittee for a year to allow it to complete its consensus-building workprogram. We emphatically oppose the bills that would by-pass Senator Barry's subcommittee to establish a new authority this year. This is because of the warnings of serious financial consequences we have received from our local legal counsels. We describe these consequences below.

We continue to believe that in defining a new authority, several principles should guide the SJR 121 Subcommittee, including:

- 1) Current transit funding and sharing arrangements must be safeguarded.
- 2) Increased funding and bonding authority should be in place before institutional changes are implemented and institutions now working well shouldn't be disrupted.

- 3) The exact reasons for, and the administrative details of, any institutional changes (e.g. organization's purpose, voting structure, shares of administrative costs) need to be agreed upon by affected local governments before legislation to create a new authority is enacted, which is what the two-year schedule of Senator Barry's SJR 121 Subcommittee was designed to accomplish.
- 4) Local government representatives have expressed a strong preference to create a new authority by providing new funding (including bonding authority) to an enhanced Transportation Coordinating Council. At least initially, the Northern Virginia Transportation Commission (NVTC) would be preserved in its existing capacity to continue to serve as a forum for public transit advocacy and to safeguard current transit funding and sharing agreements. By retaining NVTC, a much quicker transition to the new authority is possible since it would not require an amendment to the Washington Metropolitan Area Transit Authority Compact. This interstate compact requires Virginia's members of the WMATA Board of Directors to be appointed by NVTC from its commissioners. An amendment to the Compact requires approval not only by Virginia's General Assembly, but also by Maryland's General Assembly, the District of Columbia's Council and the U.S. Congress. This mandatory process requires a minimum of several years to accomplish, assuming all parties agree.

Unfortunately, the bills we reviewed that attempt to establish a new authority during this session of the General Assembly pose significant risks to our local jurisdictions and transit systems. These risks include (but are not limited to):

- 1) Abolishing NVTC jeopardizes Virginia's appointments to the WMATA Board which ultimately could bring all of WMATA's regional services to a standstill.
- 2) The Virginia Railway Express, which is a multi-million dollar business co-owned by NVTC, could be seriously impacted, just as it is enjoying its greatest success.
- 3) If no new revenue sources are added, and if NVTC's existing powers (including gas tax receipts and bonding authority) are curtailed, the region as a whole will have actually diminished its ability to raise transportation revenues. By requiring prior General Assembly approval, some of the bills to create a new authority actually eliminate the right NVTC now has to issue bonds directly for highways and transit.
- 4) A large and potentially unlimited burden of administrative costs for the new agency could be imposed on local governments, while those local governments lose the budget control they now have at NVTC.

- 5) In transferring NVTC's assets and obligations, costly, time-consuming and complex legal negotiations are needed which will also prevent NVTC and its staff from performing its current mission as a transit advocate and forum.

We are aware that some legislators believe that it is possible to establish an authority now and work out the details later. Also, some believe that NVTC's assets and obligations can be readily transferred intact to the new authority, or if necessary, NVTC can be retained as a shell to fulfill those functions that ultimately cannot be resolved in other ways. But we are not aware that the General Assembly has any intention of providing funding to allow those essential details to be resolved. We are advised by our local legal counsels that this approach risks substantial monetary damages through unintended and unforeseen consequences.

For example, NVTC has \$88 million of bonds outstanding. Our legal counsel advises us that they may need to be called and reissued at considerable expense. In the meantime, bond rating agencies may reflect this uncertainty by downgrading local governments' bond ratings, since our governments have a moral obligation for NVTC's outstanding bonds. Similarly, NVTC has a half-equity interest in VRE's \$150 million in assets, is signatory to the \$20 million VRE insurance trust and \$250 million liability insurance plan, holds local trust accounts for regional transit use totaling \$50 million, has a NVTC employee pension trust and a 10-year office lease obligation, and has several binding agreements with labor unions providing 13(c) labor protection guarantees as a condition of receiving numerous federal grants.

The immediate prospect of several years of dueling lawyers while struggling to enact WMATA Compact amendments and gaining no new revenues is not a vision that NVTC's Executive Committee can support.

In summary, we need a regional consensus before we create a new authority so that our citizens can enthusiastically support, rather than resent, the authority when it is created. We are advised that there are also real financial risks from acting precipitously and then trying to go back to mend the damage. Therefore, we urge you to support SJR 397/HJR 610 which will allow all of us to work together to implement a shared vision.

Please feel free to contact me with any questions.

Sincerely,



Kerry J. Donley
Chairman



January 22, 2001

Dear Northern Virginia General Assembly Delegation Members:

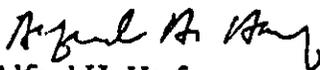
The Executive Committee of the Potomac and Rappahannock Transportation Commission (PRTC) has directed me to communicate its views about legislative proposals awaiting consideration in this legislative session regarding the creation of a new transportation authority in Northern Virginia.

The PRTC Board at-large appreciates the aims of these bills. All of PRTC's member jurisdictions are coping with the burgeoning transportation problems in Northern Virginia, and it is apparent that all of the subject bills are well-intentioned efforts to remedy various causes of these problems. Nonetheless, the PRTC Board at-large supports the SJR-121 Subcommittee's majority view that more time is required to forge a consensus about the powers which should be invested in a new authority, the geographic scope of the authority, the composition of its policy board, and its relationship to already established entities responsible for transportation planning, resource allocation, and service delivery in Northern Virginia. Senator Barry's proposed resolution (SJ 397) reflects this sentiment, and is therefore the course of action strongly favored by the PRTC Executive Committee.

PRTC's Executive Committee recognizes that a number of legislators are inclined to legislate a new authority on a faster timetable, as evidenced by the multiple bills awaiting consideration. While the sense of urgency underlying this thinking is certainly understandable, there are real dangers associated with legislating a new authority before complex legal and financial issues such as those outlined in the enclosed Virginia Railway Express (VRE) letter are properly addressed / resolved, which is what the SJR-121 Subcommittee aims to do if it is authorized to proceed as proposed. As the enclosed letter indicates, a new authority could wreak havoc on existing institutions, outstanding bond indebtedness, liability insurance arrangements, and existing legal agreements if the legislation is inadequately drafted. I should add that PRTC is anxious to insure that the new authority is carefully legislated so PRTC's current programs / services and funding sources are unaffected, which certain bills as now drafted do not accomplish.

I'll close by expressing the PRTC Executive Committee's appreciation for your consideration of its views. If you have any questions or desire further clarification, please contact me at (703) 580-6121.

Sincerely,


Alfred H. Harf
Executive Director

Enclosure

cc: PRTC Board at-large
VRE Operations Board members



Virginia Railway Express

A Transportation Partnership

January 22, 2001

Northern Virginia General Assembly Delegation Members
Richmond, Virginia 23219

Dear General Assembly Member:

I am writing at the direction of the Operations Board of the Virginia Railway Express (VRE) concerning the establishment of a new transportation authority for Northern Virginia and about the significant issues legal counsel has raised with regard to it. As you may know, the VRE, the third fastest growing commuter rail operation in the United States and already the twelfth largest, is the product of the successful partnership of the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), both transportation district commissions under the Transportation District Act of 1964, (*sections 15.2-4500 et seq.*). Through the VRE commuter rail project, NVTC and PRTC have demonstrated how the expansive powers provided to them by the General Assembly can be used to address regional transportation needs to the benefit of the entire Commonwealth. For reasons detailed below, the Operations Board believes legislative proposals awaiting consideration in this session threaten to negatively impact the VRE and jeopardize the complex set of agreements and relationships, particularly with the freight railroads, upon which the VRE is based. By communicating the legal and financial risks the VRE would confront if a new authority is legislated without accounting for and mitigating these risks, the Operations Board hopes that the General Assembly will be persuaded to adopt the SJR-121 Subcommittee's recommendation calling for a year-long extension of the Subcommittee so legislation can be drafted in a manner that averts these risks.

By way of background, the VRE is a carefully crafted multi-jurisdictional relationship with NVTC and PRTC at the core. A "Commuter Rail Master Agreement" between and among eight local jurisdictions and the Commissions establishes the organizational structure and financing mechanism for the VRE. Bonds to purchase rail cars have been issued by NVTC, backed by the appropriation-based credit of the local jurisdictions. A \$250 million dollar liability insurance plan, created to satisfy freight railroad concerns for liability, is founded upon the Commissions' unique sovereign status. Extensive contractual commitments, including those with the host railroads on which the VRE operates, have been entered into by NVTC and PRTC. The current proposals for a new authority threaten to significantly disrupt or dismantle this carefully crafted set of relationships.

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730

TEL: (703) 684-1001
FAX: (703) 684-1313

WEB SITE: www.vre.org
E-MAIL: gotrains@vre.org

JAN-22-2001 14:08

VA. RAILWAY EXPRESS

General Assembly
January 22, 2001
Page 2 of 3

Among the problems the current legislative proposals present for VRE are the following:

- Abolition of NVTC abrogates the Commuter Rail Master Agreement and, with it, the organizational structure and financial mechanisms for VRE. The Operations Board itself as now constituted would no longer exist. Legislative action alone cannot assign NVTC's obligations to a new authority. In fact, the current proposals fail to specify what type of transportation district powers the new authority would possess.
- The proposed member jurisdictions of the new authority split the PRTC region excluding Stafford County and the cities of Fredericksburg and Manassas Park from the VRE territory. This defeats the regional consensus achieved for the VRE project through the Transportation District Act, and frustrates the anticipated inclusion of more local jurisdictions in the VRE territory.
- PRTC's status, particularly its powers as enumerated in the Transportation District Act, and its eligibility to receive the 2% motor vehicle fuels tax, is jeopardized by the elimination of NVTC.

Uncertainty exists about whether the VRE would lose the gas tax revenue of Prince William County and the city of Manassas, both new authority members, to fund WMATA costs.

- The VRE's \$250 million dollar liability insurance plan would be invalidated and new policies would be required at potentially higher premium costs.
- The VRE's operating access agreements with CSXT, Norfolk Southern and Amtrak would require renegotiation and execution by the new authority and PRTC.
- The existing 13c labor agreement approved by the U.S. Department of Labor and upon which VRE federal grants are predicated may require renegotiation with the labor unions.
- The destabilizing effect of prematurely adopted legislation which fails to properly account for the VRE's legal and financial relationships can hinder the VRE's negotiation of agreements. In particular, the VRE is involved in complex negotiations with CSXT for a long term access agreement in which hundreds of millions of dollars are planned to be invested in railroad
- Creation of an authority with partially conceived powers injects uncertainties that could prevent concluding an agreement advantageous to the VRE. In a similar fashion, negotiations with Norfolk Southern for a service extension to Fauquier County, and the prospect of service to Haymarket as proposed to be studied by HJR 636, would be hindered.

JAN-22-2001 14:00

VA. RAILWAY EXPRESS

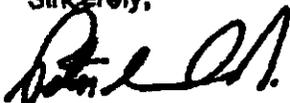
General Assembly
January 22, 2001
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- Most significantly, creation of a new authority and the elimination of NVTC creates a prospective default on millions of dollars in outstanding NVTC bonds for VRE. Since the participating jurisdictions are the underlying credit for the debt service on these bonds, the bond ratings of all the participating jurisdictions would be negatively impacted. As is true of the entire legal framework upon which the VRE rests, legislated and negotiated solutions can address this problem. However, in the time between the creation of the new authority and the resolution of the complexities inherent in unwinding and reformulating these arrangements, much harm can result.

The Operations Board understands that there are those who believe that a new authority can be legislated prior to the resolution of legal and financial issues such as those described here, with required corrections and enhancements legislated in subsequent sessions. The Operations Board strongly believes this is ill advised. Such an approach would needlessly create a major set of complications as described, at the very least diverting VRE from more gainful pursuits and conceivably causing substantial added expense. Instead, the Operations Board believes the prudent course is that adopted by the SJR 121 Subcommittee, which calls for a one-year extension of the Subcommittee to allow necessary time for defining how these issues can be best resolved and forging a consensus on those solutions. Prematurely creating a new authority without doing so poses a real risk that the end product will not only fail but will jeopardize the existing situation with profound consequences.

The Operations Board appreciates your hearing the interests of the VRE in mind as you consider the matter of a new transportation authority for Northern Virginia. We would be pleased to provide any further information you may require and to respond to your questions.

Sincerely,



Pete Skiannik, Jr.
Chief Operating Officer

Cc: Operations Board Members
NVTC Commissioners
PRTC Commissioners
Richard K. Taube, NVTC Executive Director
Alfred H. Harf, PRTC Executive Director
Stephen A. MacIsaac, Esq.

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KATHERINE K. HANLEY
CHAIRMAN

COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX
BOARD OF SUPERVISORS
FAIRFAX, VIRGINIA 22033

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January 22, 2001

Northern Virginia General Assembly Delegation Members
Richmond, Virginia

Dear Northern Virginia Delegation Members:

I am writing on behalf of the Fairfax County Board of Supervisors to share with you our thoughts and concerns on several General Assembly bills being considered to create a transportation authority in Northern Virginia.

We appreciate the efforts of the Northern Virginia delegation to look for ways to ease the traffic gridlock our citizens face every day. As you are aware, Fairfax County, along with other Northern Virginia jurisdictions, has been working with many of you on Senator Barry's SJR 121 joint subcommittee this past year to study the creation of a Northern Virginia Regional Transportation Authority. The SJR 121 joint subcommittee has been considering the purpose, needs, benefits, authority, composition, responsibility, and funding of such an Authority. Because of the complexity and multitude of issues involved in creating and implementing a transportation authority, the joint subcommittee voted to continue the study for one more year. This was the will of the subcommittee after careful consideration of all relevant points at its last meeting including whether legislation should be introduced this General Assembly session to create an authority.

The Fairfax County Board of Supervisors supports the concept of a regional transportation authority. We also believe that when we are ready to create such an authority, outstanding issues should have been resolved through a consensus building process at the local level. The local government buy-in is critical to the success of any regional transportation authority.

The bills in their current form have raised several significant issues, including:

1. Representation

- a. Fairfax County's representation needs to be reviewed. Under the terms of SB 1355, Fairfax County would have only two of 18 votes although it has over 55% of the Northern Virginia population. The administrative cost of the Authority would be based on relative population. If any new revenue is identified, sales tax for example, Fairfax County will be contributing over 52% of the revenue generated. It is difficult to see how a referendum could pass in the region's largest jurisdiction without fair, equitable and proportional representation.

Letter to Northern Virginia Delegation
Re: Northern Virginia Transportation Authority
January 22, 2001
Page 2

- b. It is not clear how the representation on the Virginia Railway Express (VRE) Operations Board would be handled since we currently have three members.
- c. There are two Commonwealth Transportation Board members, Northern Virginia and Urban At-Large, proposed for membership on the Authority. There are additionally two citizen members also appointed by the Governor on the Authority.

2. Supplantation of the Northern Virginia Transportation Commission (NVTC)

- a. A Washington Metropolitan Area Transit Authority (WMATA) Compact Amendment would be needed requiring the approval of the Maryland General Assembly, the D.C. Council and the U.S. Congress. This process can take two to four years even if all the parties agree on the amendment.
- b. NVTC's role in the VRE needs to be reviewed. VRE is a joint venture among NVTC, Potomac Rappahanock Transportation Commission, and the local jurisdictions. NVTC has issued bonds for VRE capital projects; appropriate bond counsel needs to be consulted to determine the effect on existing VRE bonds. Since local governments have a moral obligation for NVTC's outstanding bonds, this may affect Fairfax County and other local governments' bond ratings. Obviously this is of deep concern to Fairfax County and its citizens. There is also a concern that this change in NVTC may jeopardize current negotiations with CSX. VRE has enjoyed tremendous ridership increase this past year and care should be taken to not adversely affect this positive trend.

3. Transportation Revenue

- a. No new transportation revenue is dedicated to the Authority.
- b. The Authority is authorized to issue bonds subject to approval by resolution or bills passed by the General Assembly. NVTC currently has the authority to issue bonds without the approval of the General Assembly. There is no revenue source identified to pay debt service on bonds issued by the new Authority.
- c. There is no specific reference to the 2% gas tax in the bill. Currently NVTC receives and allocates this revenue.

Letter to Northern Virginia Delegation
Re: Northern Virginia Transportation Authority
January 22, 2001
Page 3

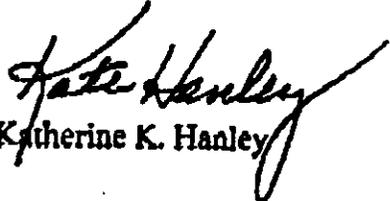
4. Duties and Powers of the Authority

- a. The bill refers to "general oversight" of regional programs of VDOT and VDRPT involving mass transit and congestion mitigation. It is not clear what is meant by general oversight.
- b. The Authority will be allocating to priority transportation projects any funds made available to the Authority by the General Assembly or the CTB. It is not clear whether this is new money or simply existing funds already available through various funding formulae.
- c. The Authority will be "directly overseeing" priority transportation projects. It is not clear whether this will require project oversight in the traditional sense with team of engineers, construction inspectors and support staff, or more general policy oversight.

The above issues are some of the more significant issues that need to be resolved before an authority is created. Once the authority is created, the citizens of Northern Virginia will be looking for immediate results toward solving our traffic problem. If the proposed bills go forward without addressing these issues, further erosion of public confidence could result making any support for additional transportation funding extremely unlikely.

The Fairfax County Board would be prepared to support legislation that establishes an authority but which directs the Barry Commission (SJR397/HJR610) to develop both the structure and function of such an authority for consideration in next year's General Assembly.

Sincerely,


Katherine K. Hanley

cc: Members, Board of Supervisors
Anthony H. Griffin, County Executive
Susan Mittereder, Legislative Liaison



TONI COPELAND
CLERK TO THE
COUNTY BOARD

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE COUNTY BOARD

#1 COURTHOUSE PLAZA, SUITE 300
2100 CLARENDON BOULEVARD
ARLINGTON, VIRGINIA 22201-5406
(703) 228-3130 • FAX (703) 228-7430
E-MAIL: countyboard@co.arlington.va.us

January 22, 2001



MEMBERS

JAY FISETTE
CHAIRMAN

CHRISTOPHER ZIMMERMAN
VICE CHAIRMAN

BARBARA A. FAVOLA
PAUL FERGUSON
CHARLES P. MONROE

The Honorable William C. Mims
Virginia General Assembly Building
910 Capital Street, Room 323
Richmond, Virginia 23219

Dear Senator Mims:

First, thank you for recognizing the scope of our unmet transportation and education needs in Northern Virginia. We appreciate your diligence and commitment in finding an effective solution.

We must convey, however, our grave concerns about SB 1355, which would establish a Northern Virginia transportation authority. We remain open to a transportation authority as part of the solution. Yet, while well-intended, it is our view that this bill does not solve the primary problems before us and, in fact, raises some serious legal and financial issues.

Arlington County's specific concerns with the proposed legislation include:

- **Elimination of Northern Virginia Transportation Commission (NVTC).** The proposed legislation would abolish the NVTC. This is not necessary or desired.
- **Impact on existing obligations.** NVTC has millions of dollars of outstanding bonds. The proposed legislation may threaten the credibility of this existing debt. If the debt is restructured, participating jurisdictions could be in the position of assuming the additional debt burden. This could result in a downgrading of the bond ratings of local governments.
- **Impact on Virginia Railway Express (VRE).** With the proposed legislation, the standing of the VRE could be thrown into doubt, both through bonding questions and current operational discussions with CSX.
- **Governance.** The proposed legislation reduces significantly the role of Northern Virginia's locally elected officials in the decision-making process. This has unknown implications for our relationship with the National Capital Region Transportation Planning Board (TPB), our regional metropolitan planning organization, and with the Compact Agreement that governs our relationship with WMATA.
- **Costs.** The proposed legislation changes the cost-sharing method among jurisdictions, imposing new obligations on localities. The nature and potential extent of the administrative costs that may be incurred is not clear.

- **No dedicated funding source/no additional bonding authority.** Our greatest need is a new, dedicated funding source – not the authority, per se. The proposed legislation provides no new dedicated funding source. In addition, it lessens the existing bonding authority of NVTC by requiring General Assembly approval.

We strongly urge that the Northern Virginia delegation support SJR 397 and HJR 610 which would extend the Barry Commission until the next session. It is our hope that a consensus proposal could be crafted by the next session that would have full local community support and address the above-cited concerns.

The decisions that are made will leave their footprint on Northern Virginia for decades to come. Let us ensure that we get it right the first time.

Again, thanks for your time and attention to these issues.

Sincerely,



Jay Fisette
Chairman

- c: The Honorable Patsy Ticer
The Honorable Mary Margaret Whipple
The Honorable Janet Howell
The Honorable James F. Almand
The Honorable Robert H. Brink
The Honorable L. Karen Darner