

March 2013

Dear Neighbor,

The General Assembly has adjourned for the 2013 Session. As your Delegate, I want to provide you with as much information as I can on the bills that have passed. Enclosed is a list of bills that may be of interest to you.

The Virginia House of Delegates agreed to make changes to Virginia's two-year state budget, making key investments in Virginia's savings accounts and K-12 education while providing a 2% pay increase for our teachers. The budget was adopted on a bipartisan vote and passed 83-17. The final budget sets aside a total of \$125 million for the state's various savings accounts, including \$95 million for the rainy day fund and \$30 million for a contingency fund to be used in the event of federal cuts that may harm Virginia's economy. The conference report also makes the implementation of a strategic compensation model in local school divisions and the establishment of the Opportunity Educational Institution.

### **Transportation**

For the past 12 years, Virginia has faced a transportation funding crisis. Today, we have taken a step to improve our state's economic climate, solve our statewide transportation funding problem and allow the different regions of the state to address their own unique transportation needs. This plan is absolutely essential to protecting Virginia's status as one of the best state's in the nation for business. Job creators can now look at Virginia and say – "Virginia is a state that is committed to building the kind of infrastructure we need. They balance their budget. They have a strong education system. This is where I want to be." Passing this plan means Northern Virginia and Hampton Roads will be able to meet their own unique transportation needs, and guarantees that money raised in Northern Virginia will stay in Northern Virginia and the money raised in Hampton Roads stays in Hampton Roads.

Passing this plan means we have a stable, long-term funding stream for transportation. This plan shifts us away from an old, unreliable funding source – the per gallon gas tax – and toward revenue sources that will grow with economic activity. **THIS IS NOT A BAND AID.** It is real money to solve a real problem. This was not a perfect plan. Everyone knows that. But the difference between Washington and Richmond is clear. We don't duck the tough choices. We make the tough decisions and solve our problems.

Previous attempts to address funding for Virginia's roads were consistently defeated because Republicans refused to raise taxes and Democrats refused to decrease spending. This plan is a compromise with a small increase in the sales tax and \$200 million dollar reduction in spending and that reduction being diverted to roads. The current 17.5¢ tax per gallon of gas has been repealed and replaced with a 3.5% tax at the wholesale level. Diesel gas will have a 5% per gallon. The sales tax will increase from 5% to 5.3% with .3% increase going only to roads.

In Hampton Roads, there will be an additional .7% sales tax to be used ONLY for transportation projects in Hampton Roads. In Northern Virginia, they selected a variety of taxes, chosen at their discretion for a total of a 2.7% tax increase to be used ONLY for roads in Northern Virginia. This compromise, when fully implemented, will increase funding for transportation by more than \$860 million annually.

## **Medicaid Expansion**

Currently, by law the Governor of Virginia has sole authority to accept "ObamaCare" and require that Virginia will participate. Fortunately Gov. McDonnell has declined, however who knows who the next governor will be. With this Budget Bill we changed that and now that power rest with the General Assembly. This Bill **DOES NOT** expand Medicaid. Medicaid needs reform. From the very beginning of this General Assembly session, I have said Medicaid reform must come before any consideration is given to Medicaid expansion. Medicaid is the fastest growing item in the state budget. The costs are spiraling out of control. If we do not reform Medicaid now, we are going to end up with a huge hole in our state budget, no way to pay for it and a broken program.

This budget guarantees that Medicaid will be reformed before any consideration is given to Medicaid expansion and guarantees that the Republican-controlled House of Delegates will have final control over Medicaid expansion. The budget establishes the Medicaid Innovation and Reform Commission. That commission will be made up of 5 Senators and 5 Delegates. That commission is vested with the authority to determine if the reforms made to Medicaid are strong enough for Medicaid expansion to go forward. That means this commission will have to determine if Medicaid expansion saves Virginia money (estimates now say it could cost \$700 million or more) and if the federal government is going to let us determine how we provide care (I don't think President Obama is going to do that).

President Obama has attempted to force ObamaCare on us. Medicaid expansion could absolutely wreck Virginia's financial system without reforms. Today we have taken a step to guarantee that Medicaid expansion in Virginia will not happen without first enacting serious reforms and without absolutely ensuring it won't cost Virginia taxpayers. I was proud to vote to push back against ObamaCare and pass a conservative budget that Virginians can be proud of.

I will hold Town Hall meetings in Smithfield, Franklin, Surry and Prince George County. Please check my website calendar page at [www.delrickmorris.com](http://www.delrickmorris.com) for the details. You can also find the complete text of each of the bills I have attached at [lis.virginia.gov](http://lis.virginia.gov).

Thank you for allowing me to serve as your Delegate. Please continue to keep me updated on the issues that are important to you and your family. You can contact me by calling (757) 912-1644 or by emailing me at [delrmorris@house.virginia.gov](mailto:delrmorris@house.virginia.gov).

With kind regards, I am

Yours truly,



Rick Morris

Member of Virginia

House of Delegates