

Week 2 Newsletter

Introduction

The second week of the 2013 Session has drawn to a close, and we have started to make progress on the nearly 2,000 bills before the General Assembly.

So far, the bulk of the action on bills has taken place in the various committees and subcommittees. As more bills begin to pass out of committees, the action during the daily floor sessions will begin to pick up.

A Long-Term Fix for Transportation

The major story from session this week was the introduction of legislation to enact the Governor's transportation plan to close the \$500 million maintenance shortfall.

In prior sessions, House Republicans have successfully advanced solutions to reduce traffic congestion. In 2011, we passed legislation to inject nearly \$4 billion into transportation funding that jumpstarted over 900 projects around Virginia. Today, we have \$14 billion invested in projects that are in procurement or under construction- the most in Virginia's history.

Despite these successes, the long-term infrastructure problem has remained due to the declining value of the gas tax. The gas tax, our main transportation revenue source, is worth just 45% of its purchasing power from 1986, the year it was raised to its current level. Inflation, increased fuel efficiency standards, and the rise of alternative fuel vehicles are all chipping away at gas tax revenues.

The current path we are on is unsustainable, and the Governor has offered a proposal that includes a number of innovative solutions to address this fundamental problem with transportation funding. In all, the transportation plan would add \$3.1 billion into our transportation system over the next five years and would provide the investment needed to significantly reduce gridlock in Virginia.

The major component of the plan would end the state's 17.5 cent gas tax and replace that tax with an eight-tenths of a percent increase in the sales and use tax, excluding gas, food, and medicine. The reason for the switch is straightforward- to move our main transportation revenue source away from a declining revenue source and toward a growing revenue source. As our economy grows, the additional revenue collected from the sales and use tax would lead to an increase in transportation funding.

Most families would not see a change in their wallets from this tax swap. For example, a family that purchases 100 gallons of fuel a month would save roughly \$17 each month with the gas tax repeal. In order for the family to expend those savings towards the sales tax increase, the family would have to spend an additional \$2,000 each month.

One misconception out there is that a shift to the sales and use tax would hurt Virginians and benefit out of state drivers, but this is not true. Some also claim that 30% of the gas tax is paid by out of state drivers, but this assertion is unfounded since there is no way for retailers or the state to determine whether a person who is purchasing gas is from Virginia or not. The best estimates of out of state drivers on our roads indicate that out of state drivers account for less than 10% to the total gas tax collected, as measured by both the number of traffic convictions and a report from the Virginia Center for Transportation Innovation and Research on vehicle miles travelled. As for the sales tax, a 2007 report from the Virginia Tourism Corporation found that out of state residents account for 9% of the revenue generated from the sales and use tax. In the end, the tax shift will not cost Virginia families more for the benefit of out of state residents.

This much-needed transportation plan will help generate the funding needed to address the transportation shortfall.

Business Development Caucus Advancing a Pro-Jobs Agenda

House Republicans are dedicated to creating an environment that helps small businesses create new jobs and opportunities. With the announcement that Virginia's unemployment rate is now the lowest in the Southeast after falling to 5.5%, it is another sign that Virginia's economy is moving in the right direction.

Even with this good news, we are not resting on our laurels. This week, the Business Development Caucus unveiled its legislative agenda for the 2013 session and held their first meeting of the session.

The Caucus' pro-jobs agenda is the result of months of work, which included several round table meetings with small business owners around the Commonwealth. At their meetings, they asked these owners one simple question- if you had a magic wand to add or repeal any regulations to help your business, what would they be? From there, they had in-depth discussions on ways to make our already business friendly state even better for small businesses. A number of great ideas emerged from these discussions and are the basis for the legislation from this caucus.

To view the Business Development Caucus' full legislative agenda, please visit www.bdcva.org.

Bills and Resolutions

HB 1320-Extends the \$0.30 per 100 pounds excise tax on all peanuts grown in and sold in Virginia until July 1, 2016. The proceeds from the tax will be used for promoting the sales and use of Virginia peanuts. Unanimously reported from the Agriculture, Chesapeake, and Natural Resources committee and passed the full House by a vote of 87-0. It now heads to the Senate for consideration.

HB 1929- *Authorizes the chief law-enforcement officer of a city or town to report to the Director of the Department of Game and Inland Fisheries that deer are creating a traffic hazard in the jurisdiction. If after an investigation the Director finds that such a hazard exists, he may authorize responsible persons, or their representatives, to kill the deer.* Unanimously reported by the Agriculture, Chesapeake, and Natural Resources committee and passed the full House by a vote of 87-0. It now heads to the Senate for consideration.

Contact Me

As always, my staff and I are here in Richmond to serve you. We want to hear what you think about the legislation pending before the House, or if there's anything we can do to help you in dealing with a state government agency. My office can be reached at (804) 698-1064 or via the Internet at DelRMorris@house.virginia.gov. Please take my Citizen Survey:

<http://survey.house.virginia.gov/Survey.aspx?surveyid=2829>. If you are planning to visit Richmond during Session, I encourage you to visit me in Room 817.

Thank you again for allowing me to serve as your Delegate.

Links of Interest

Jan 14

VA House GOP News Release: [Business Development Caucus Unveils Jobs Agenda](#)

Governor's News Releases:

- [Support for Governor McDonnell's Transportation Plan Grows as Business, Transportation and Labor Groups Join to Endorse the Plan](#)
- [Governor McDonnell Announces Sales of Virginia Wine Reach New All-Time High](#)
- [Statement of Governor Bob McDonnell on House Subcommittee Vote Against Automatic Restoration of Rights Amendments](#)

Jan 15

Governor's News Release: [Six More Business, Transportation and Labor Groups Announce Support for Governor McDonnell's Transportation Plan](#)

Attorney General's News Release: [Cuccinelli, Virginia leaders highlight human trafficking as top priority for 2013](#)

Jan 16

VA House GOP News Releases:

- [House Leadership Backs Governor McDonnell's Transportation Plan](#)

- [Delegates Purkey & Orrock Announce Support of Governor McDonnell's Transportation Plan](#)
- [Statement of House Transportation Chairman Joe May on Governor Bob McDonnell's transportation plan](#)

Governor's News Releases:

- [Statement of Governor Bob McDonnell on the Anniversary of the Enactment of Virginia's Statute for Religious Freedom](#)
- [Governor McDonnell Announces Job Creation and Workforce Development Agenda for 2013 Legislative Session](#)
- [Home Builders Association of Virginia and Virginia Regional Transit Announce Support for Governor McDonnell's Transportation Plan](#)
- [Governor McDonnell Announces Virginia's Outstanding Scientists and the Governor's Award for Science Innovation for 2013](#)
- [Virginia Association of REALTORS® Announces Support for Governor McDonnell's Transportation Plan](#)
- [Governor McDonnell Applauds Renewable Energy Research and Development Grants Awarded to Virginia Universities, Colleges](#)

[Times-Dispatch Article on deal reached to repeal renewable energy program bonuses: Deal may repeal renewable energy program bonuses](#)

Jan 17

Governor's News Releases:

- [Virginia Education Association Supports Governor McDonnell's Educator Fairness Act](#)
- [Secretary of Health and Human Resources Announces 10-Year Drop in Smoking Among Virginia High School Students](#)
- [Be Mobile Ready](#)

Jan 18

Governor's News Releases:

- [**Statement of Governor Bob McDonnell on Lowest Virginia Unemployment Rate Since December 2008**](#)
- [Northern Virginia Technology Council Announce Support for Governor McDonnell's Transportation Plan](#)