



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

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COMMITTEE ASSIGNMENTS:
COUNTIES, CITIES AND TOWNS
MILITIA, POLICE AND PUBLIC SAFETY
SCIENCE AND TECHNOLOGY

2013 General Assembly Session Recap

March 11, 2013

Law Offices of Deborah G Matthews
110 North Royal Street Suite 575
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Dear Deborah:

Two weeks ago, the House of Delegates adjourned Sine Die. This historic session was full of major initiatives regarding education, transportation, and health care. It ended with Virginia's first transportation package in 28 years and a process to expand Medicaid coverage for 400,000 Virginians.

In addition to these two major policy changes, \$2 million has been secured for a U.S. 1 transit study. This is the next legally required step before any major improvements can be made to U.S. 1 and something that I have been working towards since I was elected in 2009. It is a critical step towards the economic revitalization of the U.S. 1 Corridor and maintaining our quality of life in Mt. Vernon & Lee.

Transportation Funding

The transportation funding legislation, House Bill 2313, if sustained by the courts, significantly changes the way that Virginia generates revenue for the construction and maintenance of our transportation system. Today's system is funded largely by three sources (1) an annual license and registration fees, (2) the 3% titling tax on car sales, and (3) a \$0.175/gallon gas tax levied at the pump. The gas tax has not been adjusted since March, 1987. The plan changes Virginia's system as follows:

- The plan repeals Virginia's \$0.175/gallon gas tax
- Places a 3.5% unleaded tax (equal to about \$0.11/gallon) and 6.0% diesel tax at wholesale level
- Raises the vehicle titling tax on car sales from 3% to 4.3%
- Raises the sales tax by 0.3% for the General Fund raising \$900 million by Year 5
- Enacts a new \$100 fee on Virginia's hybrid vehicles
- Redirects \$700 million of the General Fund for schools, public safety, and healthcare to the Transportation Trust Fund over five years or about \$1.5 billion over ten years

The bill also enacts three regional taxes for Northern Virginia and Hampton Roads:

- 0.7% sales tax
- 3% hotel tax
- A "regional congestion relief fee" of 0.25% per \$100 for selling a home (about \$1250 on a \$500,000 sale)

Of the Northern Virginia money, \$300 million is initially dedicated to lower the tolls to fund the construction of the Silver Line, and dedicated revenues must be spent on transit and local roads.

There is no denying that the state and our region especially are starved for transportation funds. However, I voted against this plan because it satisfies only 30% of our long-term need and is unlikely to generate sufficient funds to improve U.S. 1 or extend Yellow Line. Also, it was not the right way to raise revenue. We are probably the only state in the nation that is reducing gas taxes and increasing regressive sales taxes.

The bill also raids the General Fund which funds education system, healthcare, and public safety, punishes individuals who are environmentally friendly through the hybrid tax, and eliminates Virginia's system of relying on user based fees to fund transportation needs. Senator Ebbin and I have started a petition urging the Governor to veto the hybrid tax. You can sign it at nohybridtax.com.

I also have reservations about Northern Virginia and Hampton Roads carrying a larger transportation funding burden via new regional taxes. These new taxes bear zero relationship to our transportation use and leave us without any meaningful protection against the Commonwealth Transportation Board ("CTB") raiding our share of state funds in light of our "regional" taxes. Furthermore, Northern Virginia's 2.2 million residents still have the same vote as 380,000 people in the Bristol District after my legislation to give the urban districts a fair share of votes on the CTB was killed for the fourth year in a row. The rest of Virginia owes us a fairer deal in light of the burden Northern Virginia bears for funding other programs such as schools.

Finally, I have serious concerns about the constitutionality of regional taxes enacted by the General Assembly. There is no real precedent for anything like this and if this is permissible under Virginia's Constitution, the next step could be a Northern Virginia-only income tax next time we have a budget deficit.

Medicaid Expansion

The expansion of Medicaid in Virginia still hangs in the balance. As a part of some last minute wrangling, language was included in the state budget that allows the state to extend Medicaid coverage to the working poor once certain reforms are blessed by a panel made up of several openly anti-Medicaid expansion appointees. There are also constitutional concerns about delegating legislative authority.

I have been a consistent advocate for the expansion of Medicaid. The Medicaid expansion would:

- Create 30,000 jobs in Virginia
- Reduce health premiums
- Provide coverage to an additional 400,000 Virginians
- Save Virginia \$17 million per year.

The expansion would also have a dramatic impact here. In Fairfax County 30,000 new adults would be eligible through Medicaid expansion. Also, this plan would bring coverage to **thousands of residents of the 44th District. One in three kids in the 44th District receives their healthcare from Medicaid today.**

I continue to have concerns about whether the expansion will actually occur notwithstanding. The Attorney General has issued an opinion that this commission may be unconstitutional. We will not know for some time about the issue of constitutionality or what reforms they may propose.

Six Surovell Bills to The Governor, Three More Studied & Three Budget Amendments Thru

This was my most successful session yet. Six bills that I was patron or Chief Co-Patron of are on their way to the Governor and are waiting to be signed into law:

- **HB 1913 – Protecting Consumers from Unlicensed Contractors:** Prohibits an unlicensed contractor from recording a mechanic's lien when a valid license or certificate is required for the labor to be performed. This prevents an unlicensed contractor from taking advantage of consumers and businesses.

- **HB 1917 – Promoting Renewable Solar-Thermal Energy**: Allows consumers and business to sell renewable energy certificates for energy generated by solar thermal energy systems such as solar hot water or air heating systems. Solar thermal systems are the most economic systems on the market.
- **HB 2322 – Promoting Mental Health In Community Colleges**: Requires Community Colleges to designate an individual as a point of contact for a mental health services provider for referrals of any students who may have urgent mental health needs and develop an official policy for referring students in mental health distress
- **HB 1360 – Banning Texting While Driving** (Chief Co-Patron): Prohibits use of a mobile phone while driving for anything other than a phone call a primary offense and classifies it as reckless driving. It would be punishable by as much as a year in jail and a \$2,500 fine. This bill was incorporated into House Bill 1907 which prohibits the use of a cell phone for solely texting and makes it a primary offense and punishable with \$250 for a first time offender.
- **HB 1695 Agricultural Renewable Energy Net Metering** (Chief Co-Patron): Allows for a group of farmers to collectively build renewable energy projects and net the energy against the electricity bill on their own bills. I hope to expand to the residential setting next year so that 10 homes in Mt. Vernon could net their home electrical meters against the energy generated by a solar panel on a church in Mt. Vernon.
- **SB 1112 - Streamlined Evidence for Drunk Driving Victims**: Streamlines evidence required to prove breath or blood alcohol concentration in a civil action for injuries of victims by accidents caused by a drunk driver. Legislation is identical to my HB1909 this session.

Three other bills I authored were referred to commissions for study.

- **HB 1915 – Fair Online Learning in Schools**: Prohibits a school system from offering students an electronic textbook outside a school until the school system can show they have taken steps to ensure that every student in the locality has access to a personal computing device and broad band internet service in their residence. Referred to the Joint Commission on Technology and Science and the Virginia Broadband Commission
- **HB1973 – Clarifying Control of Real Estate Brokerages**: Clarifies the eligible individuals and priority of persons able to run a real estate brokerage in the event of the death of the broker. This legislation was suggested by local trusts & estates attorney Deborah Matthews.
- **HB 2321 – Sunlight on the State Corporation Commission**: Subjects the State Corporation Commission (SCC) to the Virginia Freedom of Information Act. The SCC regulates all utilities, securities, insurance, and railroads in Virginia including rates, premiums, and dispute resolution.

Finally, three of budget amendments I proposed were included in the final budget amendments:

- **Route 1 Transit Improvement Study**- Budget amendment carried by Senator Puller and I provides \$2 Million in order to fully fund the Route 1 Transit Improvement Study which will analyze several different modes of transportation including the extension of the Yellow Line from Huntington to Lorton, light rail and/or bus rapid transit in addition to regional and employment forecasts for our area. The study will focus on Route 1 south of Alexandria City to the Occoquan River
- **Amendment 53 9H- Filling Judicial Vacancies**: Restores one of Fairfax County's Circuit Court Judgeships. This will help reduce congestion in the Court systems and ensure an efficient docket.
- **Amendment 108 4H- Dedicate Mortgage Settlement to HTF**: Provides an additional \$2.5 million dollars to the Housing Trust Fund which assists victims of wrongful foreclosure, remedy blight and assists with foreclosure counseling and first time home ownership.

Other Legislative News

One piece of disappointing news is that we further restricted voting rights by passing legislation requiring a photo ID to vote. I have consistently opposed this legislation and it has been rejected by the Department of Justice in Texas and South Carolina. We will see if it stands up to review.

Several bills dealing with education reform that were proposed by the Governor passed. The first was a plan that would grade schools on an A-F scale modeled on a plan promoted by Jeb Bush and John Podesta. Our current system is difficult to understand and simplifying this system will provide everyone clearer information on the quality of our schools. Making information readily available and easy to access is an important step in improving our schools. I was one of only two Democratic legislators to support this legislation.

The General Assembly also passed a plan modeled on a Louisiana plan that would allow the state to take over failing schools by moving them into something called the Opportunity School District. Once a school is removed from local control, local taxpayers would still have to bear the costs, but have no say in school operations or policies. I adamantly opposed this plan and do not believe a central take over is the way to fix local school problems.

The State Budget included a 2% raise for teachers, funds additional Medicaid waiver slots to allow intellectually and 1b developmentally disabled adults to be cared for in home settings, and funds another 1,000 spots at Virginia's universities for in-state students.

Overall, it was a mixed session but Virginia probably inched forward a bit. Medicaid expansion still hangs in the balance and we will have to see if the constitutionality of the transportation bill holds up. We made steps in the right direction with pay raises for our teachers, greater investment in our higher education and devoting more to the Housing Trust Fund but there is still more progress to make.

Looking Ahead

As I continue to represent our community I hope to be as accessible and transparent as possible about my legislative goals and views on state policy. There is much more information on my blog, The Dixie Pig, regarding this past session's legislation, the budget, my views on a number of issues, and the 6,000+/- votes I have taken over the last four years. You can find it at scottsuovell.blogspot.com or my website at www.scottsuovell.org.

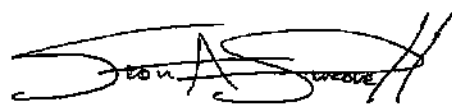
I am also happy to answer any questions you have about my legislation, votes or policy positions. We also stand ready to help serve our constituents regarding any difficulties you have with state government or state policy. You can email me or send me a letter:

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In April, we return to Richmond for the veto session to vote on the Governor's amendments and vetoes and then this November, I will stand for re-election.

It is an honor to serve you in Richmond and I hope I have earned your vote for a third term.

Sincerely Yours,

A handwritten signature in black ink, appearing to read "Scott A. Surovell". The signature is stylized with a large, sweeping initial "S" and "A".

Delegate Scott A. Surovell
44th District