

GENERAL ASSEMBLY U P D A T E



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Senate Committee Defeats Online Lottery Bill; House Bill Yet to Be Considered

Senate bill 348 by a vote of 11-4. Appearing before the committee was a representative of Capital Results, a Richmond lobbying firm, as well as two representatives of their client Lottery.com who flew in from California. After their presentation, we were able to demonstrate that they were not operating in many of the states where they claimed to be doing business. They also claimed that their operation would bring \$22 million in new revenue to Virginia in the first year. We showed that in the one state where they are operating, New Hampshire, their first year sales were only \$206,000. It is uncertain what will happen to House bill 849, but the overwhelming defeat in the Senate committee is good news.

Local Gas Taxes- Imposing a Floor

When Hampton Roads was added to the jurisdictions allowed to impose an additional fuels tax of 2.1 percent, we asked that it be done the same way as the state tax is collected - as a percentage of the wholesale price calculated on a cents per gallon basis every six months. We were told this was not possible as the change was billed as equalization of taxing authority between our two largest urban jurisdictions and that changes could jeopardize the bill. Now, some five years later, we have some of the same legislators coming around to the notion that the local fuels tax needed be on a cents per gallon basis. Our goal is to assure that as that process emerges, that provisions related to collection and remission of the tax are not changed in any way. Because this issue touches so many groups around Capitol Square, we are likely to see two different bills emerge by the February 13 crossover deadline which will then have to be worked out in a conference committee.

Also Happening

Next week the House Transportation Committee will review <u>House bill 355</u> to allow mobile fueling. We have been joined in opposition by the Virginia Fire Chiefs Association and the Virginia Fire Protection Association.