



GENERAL ASSEMBLY UPDATE



February 26, 2018

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Bill to Expand Local Gas Tax to I-81 Jurisdictions Dead for the Year

Likely to Be Back in 2019

Recognizing that there were not sufficient votes in the House, Senator Emmett Hanger this morning asked the Finance Committee to continue [SB 583](#) until the 2019 session. As passed by the Senate, the bill would have expanded the 2.1 percent add-on motor fuels tax to all jurisdictions contiguous to Interstate 81. According to the VA Department of Planning and Budget this would have raised \$78 million annually. Continuing a bill can only occur in even year sessions, and basically means that the concepts embodied within it can be studied after the General Assembly adjourns. The House budget contains language directing the Commonwealth Transportation Board (CTB) to conduct a comprehensive study of the transportation issues along I-81. Included in the options to be studied are tolling, truck only lanes, HOT Lanes, and now, we presume, regional fuels taxation. We had opposed Senate 583 since the beginning of the session arguing that consumers would simply move their motor fuels and incidental purchases from those jurisdictions imposing the tax to neighboring communities without it. In the coming weeks we will be communicating with Transportation Secretary Shannon Valentine to indicate our interest in participating in the CTB study.