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## Government Takeover of Virginia's Motor Fuel Industry One Step Closer to Reality

In January Democrats will take over both the Virginia Senate and House of Delegates for the first time in a generation. We will see versions of Virginia's Green New Deal featuring new taxation and rationing of motor fuel sales - including a path to prohibition over time. Since Tuesday, several environmental organizations have acknowledged that they will seek a return on their campaign investments in the form of combating fossil fuels and electrification of transportation in Virginia.

Here is one excerpt from today's Inside Climate News:

*Virginia's legislative races stood out. Both the Virginia House and Senate flipped from Republican control to Democrat. That new Democratic legislature will now be pressed to back an aggressive carbon reduction goal-100 percent carbon-free electricity by 2050-and environmental advocates said they expect the new majority might be willing to go along. "The legislature now has a mandate to act on climate change and clean energy," said Lee Francis, deputy director of the Virginia League of Conservation Voters. That group, through its political action committee, said it spent \$1.5 million on ads and organizing to flip both houses.*

This effort has the potential to be the most significant legislative initiative impacting the industry since the below cost sales effort in 2002. Our success in addressing it will be directly related to the willingness of members to be active participants in this process. As we mentioned in comments to the Transportation Climate Initiative, these proposals to ration and eventually eliminate fossil fuels do not assess the collateral damage they will have on state revenues, local tax collections, the Transportation Trust Fund, consumers and industry.

Additionally, we have been participating in a work group convened by Secretary of

Transportation Shannon Valentine to look at sustaining the existing Transportation Trust Fund, focused primarily on addressing the growth of electric vehicles and rising café standards that project to reduce transportation revenues over time. During that process we have emphasized that electric vehicles do not pay their fair share of road taxes and that state policies to further electrification will only make the situation worse.

Further, there may be legislation in 2020 to broaden the regional fuels tax now imposed in Northern Virginia, Hampton Roads and Interstate 81 to make it statewide. This could return stability to the states' motor fuel collection system and reduce the possibility of evasion.

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