



GENERAL ASSEMBLY U P D A T E



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Virginia Senate Votes 26-12 to Impose Floor on Hampton Roads and Northern Virginia Regional Gas Taxes

Moments ago, the Virginia Senate passed legislation that will impose a floor on the regional gas taxes in Northern Virginia and Hampton Roads. The new standard provides that the tax cannot be less than 2.1 percent of the average wholesale price of gasoline on February 20, 2013 which was approximately 3.16. That will set a floor of approximately 6.6 cents per gallon.

Significantly, the bill would no longer tie the tax to the sales price of fuel, and state and federal taxes would no longer be taxed. The bill also ties the tax to the average six month average price of gasoline, rather than the current standard of the six month average of unleaded regular. Whether this will result in increased administrative costs for DMV remains to be seen.

The chances for the bill passing the house are very much in doubt. The House Finance Committee has already rejected a similar bill and chances for a tax increase bill when all 100 delegates are up for reelection this fall are slim.

Truck Idling

The city of Richmond requested two identical bills this year to prohibit vehicle engines from being on while idling. This resulted from many owners of passenger cars going out to start their cars on cold mornings only to find the vehicle gone when they returned. This legislation would also have impacted all commercial vehicles that need the engine on to run pumps and meters. We successfully opposed this legislation which was defeated last Wednesday in Senate Transportation by a vote of 7-6.

As we approach the halfway point of the 2017 session we are pleased with the results of our advocacy efforts to date. A major event will take place Sunday when the House Appropriation and Senate Finance Committees release their suggested revisions to the state budget. Each has already recommended substantial pay increases for state troopers and lesser amounts for public employees and teachers. Not revealed is how the state proposes to pay for these initiatives in what was already a deficit budget. In years past we have seen shortfalls financed by new fees on businesses and we will be reporting to you early next week on the status of these deliberations.