MEMORANDUM

TO: Chair Phyllis J. Randall and Members

Northern Virginia Transportation Authority

FROM: Monica Backmon, Chief Executive Officer

Tracy M. Baynard, McGuireWoods Consulting LLC Margaret Rockwell, McGuireWoods Consulting LLC

DATE: April 15, 2022

SUBJECT: Update on the 2022 Virginia General Assembly Session

As of writing this memo the Virginia General Assembly is still in special session and there is no indication on when they will return to vote on the budget (HB 29/HB 30) and the forty-five non-budget bills that were carried over into the special session.

2022 Regular General Assembly Session

Governor Youngkin completed his review of legislation adopted during the Regular Session and sent down his proposed amendments and vetoes. Action on key bills of interest to the Authority:

- Transit Ridership Incentive Program Legislation HB 142 (McQuinn)/ SB 342 (Barker):
 - Allocates at least 25% of funds for free or low fare initiatives
 - Allocates at least 25% of funds for regional transit initiatives
 - Protects funding to promote improved transit in urbanized areas with populations over 100,000
 - Governor Youngkin's proposed amendment would let the 25% floor for free and low fare initiatives to expire July 1, 2024, returning to the current 25% maximum that can be used for these projects.
- Authority for local park authorities to operate electric vehicle charging infrastructure <u>HB 443</u> (Bulova):
 - Governor Youngkin signed HB 443 bill which allows local park authorities to locate, operate, and regulate the use of, and install signage relating to electric vehicle (EV) charging stations on their property.
 - o The Bill is effective July 1, 2022.

- Permit some public bodies to conduct all-virtual meetings outside of a declared state of emergency – HB 444 (Bennett-Parker):
 - The Bill exempts local governing bodies, local school boards, planning commissions, architectural review boards, zoning appeals boards, and any board with the authority to deny, revoke, or suspend a professional or occupational license from the provisions
 - Requires the FOIA Council to convene stakeholders to develop best practices for holding all-virtual meetings
 - Legislative becomes effective September 1, 2022

The General Assembly reconvenes on April 27, 2022, to take action on Governor Youngkin's proposed amendments and vetoes.

Overview of 2022 Special Session I

The General Assembly moved the two budget bills and forty-five other bills to the special session which convened April 4, 2022. In addition to the budget bills which contain various transportation issues of interest mentioned in earlier memos, the General Assembly is considering three initiatives that will reduce available transportation funding:

- <u>HB 90</u> (McNamara)/ <u>SB 451</u> (Boysko) will either partially or fully eliminate the grocery tax. While the current House and Senate proposals differ in amount eliminated or when it starts, they both eliminate the 0.5% that provides dedicated funding for transportation without backfilling.
 - o Both budget bills also contain this language.
- New bills <u>HB 6001</u>(Durant)/ <u>SB 6001</u> would (1) temporarily suspend the state gas tax for three months, (2) gradually return the tax over two months and (3) cap the annual indexing at 2%. Current law permits an annual indexing at the rate of CPI-U.
 - o The House Finance Committee will take up HB 6001 on April 19, 2022
 - The Senate Finance and Appropriations Committee is scheduled to meet April 26, 2022
- Embedded in the House version of HB 30 is language that would <u>roll back five cents of the state</u> gas tax for FY 23.

The Authority has shared its opposition to any action that destabilizes and reduces dedicated state revenues for transportation. Any action that reduces available funding for the Interstate Operations and Enhancement Program (IOEP) reduces funding the Authority gets from this program. IOEP state funding was secured in 2020 to help partially replace regional funding diverted for Metro maintenance needs.