

Virginia General Assembly

2005 Report from Delegate

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Virginia government decisions touches all of our lives directly. I've put together this brief overview of the issues being debated and key laws passed to spur your thoughts and to give you a heads-up on laws that may affect you. As always, I look forward to hearing your views.

The Budget

What a roller coaster! After two tough years of cutting \$6 billion in state spending and 5,000 state jobs from what the last administration had budgeted, this year we had a \$1 billion surplus.

The first priority had to be covering the increased cost of Medicaid, which now takes 12% of the state's general fund.

Our next priority was tax cuts. As of July 1, the food tax will drop to 2½ cents. When you do your state income tax next year, your personal deduction will be \$900 instead of \$800. And retailers will no longer have to send money to the state for sales taxes before they actually collect it.



Transportation took the bulk of the remaining surplus as part of a \$848 million state/federal 2-year funding package. Regrettably, since only \$108 million is on-going state funding, this makes better headlines than any real relief it will deliver.

Other budget initiatives directed at veterans, health care, and the environment are discussed elsewhere.

The Economy

It's still legitimate to ask: Why such a big swing from large deficits to a healthy surplus? The biggest factor is homeland security and defense spending. This has produced a very fast growing economy, 2nd only to Nevada's. Two years ago, economists also were not predicting a continued increase in home purchases.

Unlike the federal government, states can't operate in a deficit. Virginia must be especially conservative, since we still operate with a 2-year budget and it is challenging to project so far ahead. Plowing surplus money back into the Rainy Day

Fund to cover future economic downturns must always be a priority.

Finally, our actions last year to increase revenues were directly responsible for Virginia preserving its enviable AAA bond rating. Virginia also earned the rank of "Best Managed State in the Nation" (results.gpponline.org). And, even with the tax increase, we didn't move up from our position as the 44th lowest tax state (2004: taxadmin.org 2002: ncsl.org).

Transportation

Last year, we devoted the bulk of the revenue increase to education, increasing it over \$600 million annually. Fairfax County received over \$50 million per year, which helped the Board of Supervisors reduce the real estate tax rate while meeting school funding requests.

However, we did not fund transportation.

This year there was a little more show ... but still very little go. Thirty percent of the \$848 million package will pay off debt on past projects and 25% is federal funds. The only bright spot is the \$75 million in new money for transit.

For me, the most ominous sign of how bad things are is not the *current* traffic tie-ups or jam-packed Metro cars ... as truly intolerable as they are becoming. It is the virtual disappearance from VDOT's budget of any engineering work for projects to be built within the next decade. When I was Virginia Secretary of Transportation & Public Safety, over 10% of the budget was devoted to pre-construction engineering. Now, it's less than 1% ... it makes no sense to design what there's no money to build!



Transportation ...a few facts



We've run out of designated maintenance funds. Construction and transit money is being taken to fund routine maintenance.

This region is 1st in the nation in carpooling. It's 2nd only to New York City in transit use and has one of the highest percent of operating costs paid out of the farebox.



About 15% of the cars on Virginia roads are tourists in addition to out of state truck traffic.

Every state, except Virginia, has increased its gas tax since 1987. As a per gallon levy, it has lost over 60% of its buying power to inflation and fuel efficiency.



Four years ago, only 20% of construction projects were completed on time. Now, 74% are on time and 80% are within budget.

Snow removal costs were cut 16% by putting local VDOT offices in charge instead of running it out of Richmond.

A 20-cent extra real estate tax on business property paid 80% of the cost to widen 16 miles of Rt. 28 from 2 lanes into a freeway and is paying for further improvements.



Metro is over 40 years old. Maintenance needs are over \$1 billion, with \$625 million required to have 8-car trains on 1/3 of the runs.

In 2004, 3.6% of commuting trips were taken off Washington area roads by teleworking and compressed work schedules.

My bill to change the state formula for distributing primary road construction funds (Rt 236, Rt 7) to reflect congestion (measured by vehicle miles traveled per lane mile) would double NV funding. However, money for roads numbered over 600 (Old Keene Mill, Braddock, Backlick) would increase only slightly because those funds already are distributed by population.



The Mixing Bowl and Woodrow Wilson Bridge are being paid for with over 90% federal dollars. By 2014, we won't be able to get such federal funding because we won't have state funds needed for the match.

This partial overview of where we are and what we should ... indeed must do ... makes it clear:

There is no one solution to our transportation crisis.

Environment

Clean Water – A total of \$97 million will be used in the next 2 years to upgrade sewage treatment plants. 7,000 miles of Virginia rivers and streams, including our portion of the Chesapeake Bay, are on the national “dirty water” list. A study will recommend a source of ongoing funding to the 2006 General Assembly, since after 2010 the federal government could takeover clean up of the Chesapeake.

Snakeheads – Anyone who knowingly introduces a snakehead or other non-native nuisance fish into the waters of the Commonwealth could serve jail time and be fined up to \$2,500.

Off-Shore Drilling – It took a Governor's veto to kill legislation to authorize drilling for natural gas off Virginia's coastline.

Transferable Development Rights – While limited only to Arlington right now, hopefully this new tool can be used to improve Fairfax County's urban development while preserving green space.

Land Trusts – There was an attempt to end the tax credit for preserving land in perpetuity from development. As a member of a committee appointed to study its abuse, I will be working to close loopholes while preserving its important conservation and historic benefits.

State Parks – Virginia is dead last in funding for parks and natural areas, which limits their use and proper care. We added \$2.6 million and 30 positions for maintenance and operations.

Health

Living Wills – A commentator observed, “Most people have a lot more confidence in their loved ones than they do in some legislator.” Here are some good websites to help you take control of your life:

www.aarp.com takes you to “Care and Family” where you need to click on “End of Life.”

www.caringinfo.org is the National Hospice site, which has Virginia's advance directive form.

www.abanet.org/aging has a “Consumer Tool Kit for Health Care Decisionmaking” put together by the American Bar Association.

Finally, www.uslivingwillregistry.com is a national registry for living wills.

Medical Malpractice – The cost of medical malpractice insurance is becoming prohibitive, especially for emergency and obstetrical physicians. However, legislation to cap lawsuits did not pass because Virginia’s cap is already the 3rd lowest in the nation. This should drive Virginia insurance rates down and a study will determine if Virginia doctors are in fact subsidizing the cost of lawsuits in other states.

Pregnancy – The federal court struck down a law passed in the 2003 session that barred most abortions after the 15th week, because it had no provision for medical decisions to protect the life of the mother. This session, a bill was killed to assure that using a contraceptive that prevents a fertilized egg from being implanted in the womb would not be termed an abortion. If the fertilized egg is defined as a fetus, it would outlaw 40% of commonly used birth control.

Assisted Living Facilities – I was pleased to work with a number of key legislators and responsible assisted living operators to create much-needed protection for over 30,000 people who cannot live on their own and are in assisted living throughout Virginia. Our legislation creates

- oversight for dispensing medications,
- better mental health screening,
- licensure of operators so that the bad apples can’t just close one home and open another, and
- emergency help for residents in unsafe homes.

Fines were substantially increased from just \$500 to up to \$10,000 (the maximum fine currently possible for veterinarians), but we also provided that fines could be used to remedy conditions. We also increased the number of inspectors and their training. Finally, we modestly increased state funding for needy residents by \$50 per month, but the total is still far below actual costs.

Nursing Home Staffing – Virginia is one of the few states with no minimum staffing standards for nursing homes. The seriousness of this issue is underscored by the fact that Christopher Reeve – even with all the care he received – died from bed sore complications. Virginia’s lack of standards is directly related to the fact that we have one of the lowest reimbursement rates for Medicaid patients in nursing homes. I am now in my 5th year fighting for this issue and I will not give up.

Education

K-12 – The budget maintained the progress we made last year to more adequately fund public education. My bill to establish smaller maximum class sizes in the early years received a good initial hearing.

High School Athletes – The Virginia High School League has been directed to bar any athlete known to use anabolic steroids from competition for two years. School personnel who fail to report or who assist a student in using steroids will lose their license.

Restructuring Higher Education – Complex legislation created 3 levels of self-direction for Virginia’s public universities and colleges, including community colleges. Institutions must submit a 6-year plan that balances tuition, student aid, and access and that meets statewide goals and accountability standards. If its plan is approved, the institution can gain greater control over faculty positions, research, intellectual property, and contracts.



Springfield Medical Education Campus – There is a great demand for trained medical support, from lab technicians to direct patient care. It made no sense to have a waiting list of persons seeking a health care career, with empty classrooms in a brand new building that could be used to train them. We added \$2.3 million to the budget to bring the faculty on-board in order to fully utilize this facility.

Vivian, the two issues I’m most concerned about are:

- Transportation** **K-12 Education** **Health Care** **Crime** **Mental Health/Mental Retardation**
 Environment **Higher Education** **Taxes** **Veteran Services** **Other** _____

My concerns about #1 are _____

My concerns about #2 are _____