

Virginia General Assembly

2012 Report from Delegate

VIVIAN WATTS

After years of budget cutting, I wish I could assure you the worst is over. I cannot. I can only assure you that I value your involvement more than ever. Hearing and seeing first hand how people, services, and neighborhoods are affected is essential in the struggle to balance priorities.

Vivian



Virginia's Economy

... Jobs

Virginia's 5.7% unemployment rate remains significantly better than July's nationwide 8.3%. Virginia is always at least a point ahead, but our current stronger jobs picture is due in part to initiatives over the last 4 years. Indeed, 2 years ago, Governor McDonnell observed we gave him "more tools than any other governor in recent memory" to create jobs.

This year, however, new proposals were controversial. They weren't focused. The Governor wanted more money simply to be at his discretion. The worst idea was, supposedly, to make our Atlantic ports be more competitive by spreading state money across businesses from Williamsburg to Petersburg 75 miles away. Strong bipartisan votes defeated the measure twice, but the Governor sent it down as a budget amendment.

Our biggest threat to continued job growth is federal budget cuts. Virginia gets more federal contracting dollars than any other state. Many private sector jobs – not only in Northern Virginia but also in the shipyards – are at stake. In addition, Virginia ranks 4th in total federal salaries.

... The state budget

First the good news: 2/3 of the general budget comes from the income tax and, currently, revenue is significantly ahead of what economists projected when we passed Virginia's budget. This allowed us to set aside funds to deal with potential federal cuts and to repay retailers who had to send in estimated sales taxes early to balance last year's budget.



If Virginia's economy is able to continue to recover, despite federal spending cuts, the challenge is how to selectively address the program

cuts we began making in 2007 – well before most states recognized the economic downturn. Cuts became much deeper to cope with back-to-back years of falling revenue, which were unprecedented since Virginia's broad-based economy always had produced revenue growth (except in 1991 and 2002.) Deep cuts we haven't addressed include:

K-12 education – where 2012 funding will remain 5% below 2009;

Colleges – where in-state tuition must now cover 1/2 the student cost compared to just 1/4 ten years ago;

Courts – where only 1/2 the judicial vacancies were filled;

Pensions – where costs were shifted to local school budgets and employees;

Nursing homes – where Virginia's Medicaid rate covers only 2/3 of patient costs; and

Mental health – where we don't have treatment staff to carry out reforms passed following the Virginia Tech shootings.

Transportation

... And, we did nothing to address

transportation. It has been over 25 years since we increased state transportation funding. The gas tax does not rise with inflation and now makes up only 14% of state construction and transit funds instead of 50%.

The Governor's proposal to divert \$230 million a year to transportation from the existing sales tax was soundly rejected. Not only would it mean further crippling cuts to education, health, and other basic programs, but \$230 million does not begin to address the over \$1 billion annual deficit in funding construction, maintenance, and transit needs.

Transportation - cont'd

... Our fair share

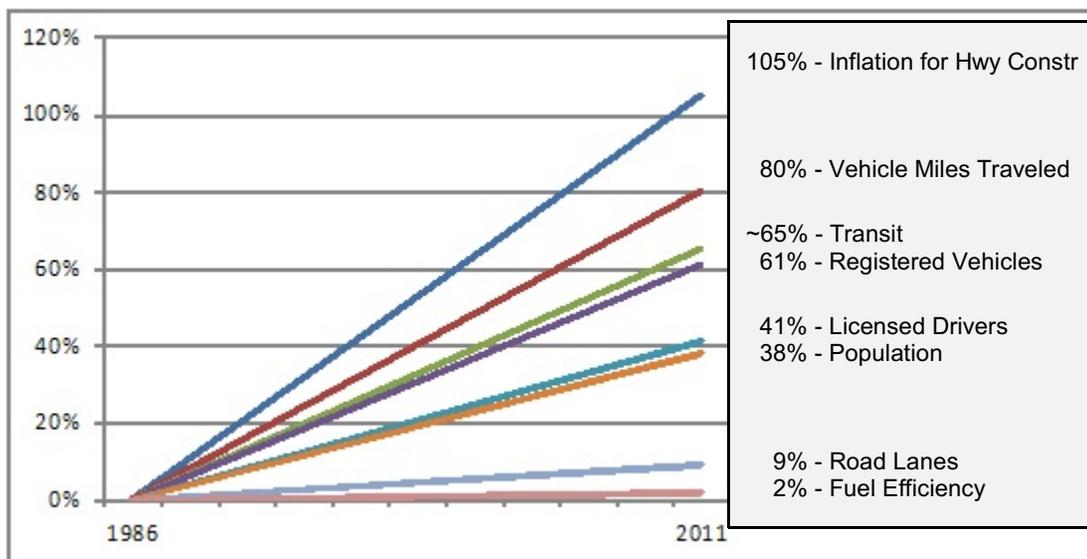
Northern Virginia is now ranked as the most congested region in the nation. Our rush "hour" is 7 hours, compared to 4 in Hampton Roads and 2.5 in Richmond. I, therefore, was astounded that the Governor backed VDOT's proposal to spend less than 7% of state funds in NoVa through 2020! Under the existing formula, at least NoVa is entitled to 19%!

Nevertheless, this severe cut to state funding for NoVa local road needs was kept in the final bill on a party line vote. NoVa is left to shoulder mega toll lane projects and 25 years of statewide debt that's been undertaken in the last 3 years.

... Where do we go from here?

One scheme after another has been proposed to avoid raising the gas tax (abusive driver fees, selling ABC stores, diverting income or sales taxes.) They all share one thing: The money comes from Virginia residents – even though over 20% of cars and trucks on our roads are from out-of-state.

My website (vivianwatts.com) has a decade of material on the need for action. This year, I added a comprehensive PowerPoint presentation that features charts like the one below. I'm determined to cut through headline claims with facts. Please don't hesitate to copy and use the material.



Express Private Toll Lanes

Beltway construction will end this year. More than any other Delegate district, it has heavily impacted the 39th. While neighborhoods have been helped with Transurban landscaping grants and limited soundwall additions, cut-through traffic remains a big concern.

If you're wondering how the lanes may benefit you, the good news is having 4 more lanes will relieve Beltway congestion. For the places where you can get on and off, see www.495expresslanes.com/using-the-lanes.

Even more important, the new lanes create a regional transit corridor by providing free bus, HOV-3, and motorcycle use with direct access from I-95. HOV-3 vehicles need to get an E-ZPass Flex. (Note: VDOT decided to join other states by charging a monthly administrative fee of 50¢ for all new or replacement E-ZPasses, as well as \$1 for Flex Passes.)

The biggest concern about the toll lanes – both Beltway and, now, I-395/I-95 – is the financing. The private operator has complete control in setting tolls for 70 years. Toll rates have to be high enough to pay off construction debt, but if they're too high, drivers won't pay the price. If there are too few toll-paying vehicles, the State must pay the private operator for HOV vehicles if they're more than 25% of the users.

For the Beltway, the State funded 21.5% of the \$1.9 billion project cost, which largely paid for replacing 50 aging bridges and overpasses, 3 new interchanges, and pedestrian/bicycle crossings. Private investors, looking for a 13% return on investment, put in \$350 million. The remaining \$1.2 billion came from 40-year bonds that will be repaid by tolls. Toll rates also must cover all maintenance and operation costs.

For I-395/I-95, the State is directly paying for 8% of the project cost of the express toll lanes.

Women's Health

... **“Those guys just don’t know what they’re talking about.”** That was my reaction 10 years ago when I first started hearing personhood bills that would result in the Pill and IUDs being illegal. There also were recurring bills mandating that a woman must have an ultrasound before any pregnancy is ended. None considered miscarriages, even though most pregnancies that end in the first 3 months are because of a miscarriage.

As the only woman on the House Courts Criminal Laws subcommittee over the last 16 years, I’ve felt a special burden to read full court decisions, medical discussions, and all sides of advocacy arguments. My conclusion is that we are in a most troublesome time where litmus test words control debate.

I gave birth to my second child the year the Supreme Court ruled a state could not outlaw birth control. This is not ancient history; nevertheless, by a vote of 64 to 34, the House rejected my amendment to assure HB1 would not affect birth control. HB1 establishes full legal rights of personhood the moment egg and sperm join and is pending Senate action.

Criminal Law

... **Drunk drivers** for one year may only drive a car with an ignition interlock to detect alcohol use.

... **Gun buyers are no longer limited to one gun a month.** In addition, localities can no longer require fingerprints to obtain a concealed carry permit.

... **Your right to defend your home** remains unchanged. You may respond in proportion to the threat – including shooting an intruder – but must be able to explain why you felt in danger of serious bodily harm.

Education

... **State funding for Fairfax schools** was preserved. NoVa senators and delegates had to fight hard to keep the approximately 2% cost-of-living adjustment we get. A very complex formula makes downstate legislators think we get more; however, even at best, the adjustment is far, far less than the 26% salary increase state police get when assigned to this region.

... **State funding for all public schools** was cut. The amount per child for 2012 - 2014 will be below what it was in 2009. This is due in part to shifting the state share of pension costs to local taxpayers and teachers.

... **State funding for private schools** was expanded through \$10 million per year in tax credits for donations to private school scholarships.

... **Increases for Higher Education** continue the commitment to add in-state slots in Virginia’s flagship universities. This is particularly important for qualified NoVa students. Student financial aid also was increased since low state funding has pushed tuition increases. The U.S. Chamber of Commerce 2012 ratings put Virginia 44th in state support.

Best State for Business

... **Virginia typically has been #1** in most ratings for the last decade. This has been key to job creation. However, we slipped to 3rd in the latest poll (CNBC) after a serious downgrade for lack of transportation investment. Our education ranking also slipped.

The 2012 legislative agenda also drew a sharp letter from business leaders, as reflected in this April *Virginia Business* magazine editorial comment:

“... easing restriction on handgun purchases and requiring ultrasounds ... lampooned nationally... tarnish[ing] Virginia’s image as a great place to live and do business.”

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

- Economy** **Transportation** **K-12 Education** **Health Care** **Mental Health**
 Environment **Higher Education** **Taxes** **Immigration** **Other**_____

My concerns about #1 are _____

My concerns about #2 are _____

Environment

. . . **Uranium mining** in southside Virginia would have “steep hurdles” to overcome according to an extensive National Academy of Science review of worldwide reports and research. The biggest concern is hurricane level rains pushing radioactivity into water supplies. Nevertheless, I expect that efforts to lift the 30-year moratorium will not end.

Voting

. . . **Every voter must show ID.** No longer can you simply sign a statement (subject to criminal penalty) that you are who you say you are. You must show one of these forms of ID:

- government ID (i.e., drivers license, passport, social security card, voter registration card);
- student ID from a 4-year college in Virginia;
- employee ID if it has a photo; or
- current utility bill, bank statement, paycheck or government check with the voter’s name and address.

Although new voter registration cards will be sent to every voter, this will cost approximately \$1.4 million and there’s great concern about errors and people knowing the importance of keeping the card.

Veterans

. . . **Real estate tax relief** for all 100% disabled veterans was put in jeopardy by an Attorney General’s ruling. At the Speaker’s suggestion, therefore, I contacted the Virginia Bar who provided fully reasoned background on why veterans whose property is in trust definitely fall under the recently voter approved constitutional wording. In Fairfax alone, more than 50 veterans had been denied.

Mental Health

. . . **Treatment oversight** was again intensely reviewed by a House Courts subcommittee. But the horrific shootings in Aurora, CO tragically underscore the concerns I expressed in reforms following Virginia Tech that “requirements” are only as effective as having adequate treatment staff.

. . . **The NoVa Training Center** is scheduled to close in 2015 as part of a U.S. Justice Department directive. I strongly believe that the 86 acres on which it is located is invaluable to family contact with loved ones. It is ideal for co-locating a wide range of public and private disability services, such as sheltered workshops, private townhouses for autistic adults, and housing for medical staff who can be available 24/7 for residents of group homes.

. . . **Mandatory child abuse reporters** now include college employees and all coaches. Failure to report sex abuse can result in a jail term. Institutions must inform the person reporting suspected abuse of the actions taken.



Human Trafficking bill signing. Kidnaping and abduction laws give 20 years in prison to anyone involved and 40 years if they use a child under 18. Outreach to victims was increased.
