

2015

VMA Legislative Wrap-Up Report



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Welcome to the *VMA Legislative Wrap-Up Report*. This report is produced annually to detail the highlights of each Virginia legislative session from the VMA’s perspective. The Table of Contents is a quick reference to key sections of the report.

Page 3 – Statistical Overview

This is intended to give the reader a concise understanding of the legislative session from the “30,000 foot” point of view. This section details the mechanical and statistical elements of the legislative session such as how many bills were introduced and passed this session.

Page 4 – VMA Priority Bills

This is the proactive section of the report where details of each bill the VMA requested to be introduced or was part of a coalition or commission that requested the bill to be introduced are found. These were the top priorities of the association during this General Assembly session.

Page 6 - VMA Priority Bills Legislative Scorecard

Each member of the Virginia General Assembly is given a VMA Vote Score on VMA Priority Bill votes.

Page 8 – Select Defensive Bills

This section identifies only select bills that required significant VMA action in order to support, amend, neutralize, or stop from negatively impacting the manufacturing sector.

Page 11 – Summary

This is a brief narrative of the 2015 Virginia Legislative Session intended give members some understanding of the context and color of this year’s legislative session.

Statistical Overview

This year 36% of the 2,338 bills, not including non-binding resolutions, introduced in the 2015 regular session by members of the General Assembly passed. This is 6% less than in 2014.

The chart below is a historical view of VMA legislative session activity.

Year	Bills Managed	Priority Bills*	Legislative Bulletin & Alerts	Government Affairs Council Meetings	Frequency Staff Testified Before Committees
2003	105	14	7	7	31
2004	160	17	29	7	46
2005	65	12	26	7	46
2006	114	14	31	7	37
2007	125	8	21	8	43
2008	122	11	18	8	32
2009	243	8	20	8	36
2010	346	12	36	9	43
2011	133	14	25	7	22
2012	548	16	32	8	30
2013	422	18	21	7	27
2014	379	16	18	9	28
2015	932	27	12	7	15

The VMA has also categorized the bills monitored during this session into 18 policy areas highlighting the issues which required the greatest attention:

Legislation Category	Number of Bills
ABC	52
Budget	10
Constitutional	58
Economic Development	55
Education/Workforce Training	31
Employment/Workforce	53
Energy Regulation	112
Environmental	185
General Government	6
Health Insurance	46
Labor-Management	1
Procurement	46
Product Liability	0
Professional/Occupational Licensing	2
Taxation	194
Transportation	53

Unemployment	13
Workers Compensation	15

Priority Bills

VMA Priority Bills are introduced on behalf of the VMA, a coalition or commission as part of our proactive [Virginia Industrial Innovation Strategy](#). **The VMA produced an 85% success rate for this year's 27 VMA Priority Bills.** Bills with a green "checkmark" passed the General Assembly and those with a red "Ø" failed. Those with a "blue box" are bills that are still under consideration or their content was implemented in other bills.

VMA highly values transparency in government. As such, the VMA produces an annual "Legislative Scorecard" that is intended to increase legislative transparency on final votes cast on VMA Priority Bills. This does not include all budget items or any Defensive Bills. Scores are not weighted. Legislators were also not penalized for not voting, but "no votes" are noted. The "VMA Legislative Scorecard" represents the percent of votes cast correctly by each General Assembly member on VMA Priority Bills.

In fact, **Members may notice that most legislators received a near perfect 2015 Legislative Score.** This is a good sign. It means that the VMA was highly successful in gaining bipartisan and near unanimous support for its Priority Bills due to the direct involvement of the membership, a professional advocacy team that works year-round, and long-standing relationships. Contrasting the VMA's pass rate of 85% to the overall bill pass rate of 36% proves these points.

*For a detailed review of **VMA Priority Bills**, go to <http://vamanufacturers.com/advocacy/key-virginia-legislation/>.*

To see how each Legislator voted on VMA Priority Bills, please contact VMA Member Services at thefuture@vamanufacturers.com for more information.

*Note: The VMA and its affiliate organizations also work on industry-specific legislation in the policy areas of **alcoholic beverage control, tobacco and firearms**. Those bills may be found by clicking [here](#) and [here](#) respectively. Please contact VMA Member Services at thefuture@vamanufacturers.com for more information.*

Did you know the Virginia General Assembly is the oldest continuous law-making body in the New World? It was established on July 30, 1619.



2015 PRIORITY BILLS



Key:	Win	Loss	In Process/Partial Amendment	
PATRON	WORKFORCE PRIORITIES	DESCRIPTION	RESULT	COMMENTS
Byron	HB1523 Veteran Employment - VA National Guard Services	Allows unemployed VA National Guardsmen to qualify for Workforce Investment and Opportunity Act (WIOA) funded services		Estimated that 20% of E3-E5 VA National Guardsmen are unemployed
Byron	HB1676 Expanded Dual-Enrollment for K-12 & Higher Education through Industry Credentials	Increases K-12 opportunities for obtaining industry credentials leading to credit at a community college or private college		SCHEV will draft guidance
Byron	HB1677 Industry Credential Scholarship	Creates a \$1,000 per person scholarship for completion of industry recognized credentials		Budget allows VCCS to implement w/ \$1M in need-based scholarships
Toscano	HB1959 Sponsored Research Impact Reporting by Universities	Requires Universities to report on sponsored research paid for by Virginia businesses and intellectual property sold/licensed to Virginia companies		Report incorporated into SCHEV 6 year plan. First documentation of economic development in VA
Byron	HB1986 Virginia Board of Workforce Development Reform	Improves the regulation of spending of Federal and state workforce development planning and funds		Improves targeted federal funding for industry credentials by 40%
Byron	HB2033 Workforce Development Reform	Reorganizes the spending of \$4.5 million in Federal WIOA funds for industry credential attainment		Rolled into HB 1986
Wagner	SB1209 Industry Credential Scholarship	Creates a \$1,000 per person scholarship for completion of industry recognized credentials		Budget allows VCCS to implement w/ \$1M in need-based scholarships
PATRON	TAXATION PRIORITIES	DESCRIPTION	RESULTS	COMMENTS
Governor	Budget - Tax Amnesty Program	Dedicate \$25 million to industry credential scholarship		Under consideration
Governor	Executive Order - Blue Ribbon Commission on Tax Reform	Eliminate the M&T, BPOL and MC taxes		Under consideration
Marshall	HB1554 Recycling Equipment Tax Credit Reform	Reauthorizes tax credit, increases the rate to 20% of purchase price and establishes a \$2 million cap		VA TAX will develop guidelines
Stosch	SB1044 Federal Internal Revenue Code (IRC) Conformity; Section 199 Domestic Production Deduction (DPD)	Allows for full deduction of 9% of qualified income for domestic production		Intent is to reduce the effective tax rate of manufacturers - est. \$60 million benefit
Wagner	SB1205 Recycling Equipment Tax Credit Reform	Reauthorizes tax credit, increases the rate to 20% of purchase price and establishes a \$2 million cap		VA TAX will develop guidelines
Alexander	SB1364 Mfg. Corporate Income Tax Reform	Single Sales Factor for Mfg. Corporate Income Tax Elective Reform for Defense Manufacturers Impacted by Federal Sequestration		Passed Senate; Failed in House Finance
PATRON	ENERGY & REGULATION PRIORITIES	DESCRIPTION	RESULTS	COMMENTS
Governor	Budget - Wastewater Treatment Facility Funding (WQIF)	Fund Water Quality Improvement Fund (WQIF) for local governments to use in complying with Federal nutrient reduction goals		
Loupassi	HB1768 VPP State Safety Program	Codifies existing Voluntary Protection Program of VA Department of Labor & Industry		Among first states to codify voluntary program
Farrell	HB1820 Workers' compensation; pecuniary liability for medical services.	Requires the Virginia Workers' Compensation Commission to establish the prevailing community rate for medical, surgical, or hospital services in communities at an amount that is representative of the charge for the same services charged by providers in the community where the services are provided in the Commonwealth		
Marshall	HB1848 Municipal Power	Allows all municipal utilities to sell their electric utility		Failed to report; Communicated to Commission on Electric Utility Regulation for review
Hodges	HB1924 Groundwater Withdrawal Study	Creates Eastern Virginia Groundwater Management Advisory Committee and restricts the State Water Control Board from regulating groundwater withdrawal until a plan is prepared in 2018		
Knight	HB2072 Overweight Permit for Forestry Truck Hauling	Provides for a 24,000 - 90,000 lb. limit on hauling forestry products with a new \$130 fee		
Wagner	SJ273 DEQ to Assess EPA Clean Power Plant Rule	Determine double-counting of environmental benefits associated with Clean Power Plan Rule and NAAQS Ozone Rule		Bill also provided \$200K for DEQ to complete study
Wagner	SJ274 JLARC Manufacturing Study	Requires JLARC to update its 2006 study on the cost of regulatory compliance on the manufacturing sector		
Stanley	SJ300 Municipal Power	Directs the Commission on Electric Utility Regulation to report on business practices of municipal power providers that is leading to uncompetitive costs		Passed by; Communicated to the Commission on Electric Utility Regulation
Alexander	SB881 VPP State Safety Program	Codifies existing Voluntary Protection Program of VA Department of Labor & Industry		Among first states to codify voluntary program
Cosgrove	SB989 Overweight Permit for Forestry Truck Hauling	Provides for a 24,000 - 90,000 lb. limit on hauling forestry products with a new \$130 fee		
Wagner	SB1202 Clean Power Plant Rule State Implementation Plan	Requires EPA Clean Power Plant Rule to incorporate SCC guidance		Policy content rolled into SB1349 and SB1365
Normant	SB1341 Groundwater Withdrawal Study	Creates Eastern Virginia Groundwater Management Advisory Committee and restricts the State Water Control Board from regulating groundwater withdrawal until a plan is prepared in 2018		
Stanley	SB1396 Disposition of Danville and Martinsville Utilities	Allows Danville and Martinsville municipal utilities to sell their electric utility		Passed by; Communicated to the Commission on Electric Utility Regulation

Senate Priority Bills Legislative Scorecard

100	Alexander, Kenneth (D-5)	100	McDougle, Ryan (R-4)
100	Barker, George (D-39)	100	McEachin, Donald (D-9)
100	Black, Richard (R-13)	100	McWaters, Jeffrey (R-8)
100	Carrico, Charles (R-40)	100	Miller, John (D-1)
100	Chafin, Ben (R-38)	100	Newman, Stephen (R-23)
100	Colgan, Charles (D-29)	100	Norment, Thomas (R-3)
100	Cosgrove, John (R-14)	100	Obenshain, Mark (R-26)
100	Dance, Rosalyn (D-16)	100	Petersen, Chap (D-34)
100	Deeds, Creigh (D-25)	100	Puller, Linda (D-36)
100	Ebbin, Adam (D-30)	100	Reeves, Bryce (R-17)
100	Edwards, John (D-21)	100	Ruff, Frank (R-15)
100	Favola, Barbara (D-31)	100	Saslaw, Richard (D-35)
100	Garrett, Thomas (R-22)	100	Smith, Ralph (R-19)
100	Hanger, Emmett (R-24)	100	Stanley, William (R-20)
100	Howell, Janet (D-32)	100	Stosch, Walter (R-12)
100	Lewis, Lynwood (D-6)	100	Stuart, Richard (R-28)
100	Locke, Mamie (D-2)	100	Vogel, Jill (R-27)
100	Lucas, Louise (D-18)	100	Wagner, Frank (R-7)
100	Marsden, David (D-37)	100	Watkins, John (R-10)
100	Martin, Stephen (R-11)	100	Wexton, Jennifer (D-33)

House of Delegates

Priority Bills Legislative Scorecard

100	Adams, Leslie (R-16th)	100	Loupassi, Manoli (R-68th)
100	Albo, David (R-42nd)	100	Marshall, Daniel (R-14th)
100	Anderson, Richard (R-51st)	95	Marshall, Robert (R-13th)
100	Austin, Terry (R-19th)	95	Mason, Monty (D-93rd)
95	BaCote, Mamyne (D-95th)	100	Massie, Jimmie (R-72nd)
100	Bell, Richard (R-20th)	95	McClellan, Jennifer (D-71st)
100	Bell, Robert (R-58th)	95	McQuinn, Delores (D-70th)
90	Berg, Mark (R-29th)	95	Miller, Jackson (R-50th)
100	Bloxom, Robert (R-100th)	100	Minchew, Randall (R-10th)
95	Bulova, David (D-37th)	100	Morefield, Will (R-3rd)
100	Byron, Kathy (R-22nd)	100	Morris, Richard (R-64th)
100	Campbell, Jeffrey (R-6th)	95	Morrissey, Joseph (I-74th)
95	Carr, Betsy (D-69th)	95	Murphy, Kathleen (D-34th)
100	Cline, Benjamin (R-24th)	100	O'Bannon, John (R-73rd)
90	Cole, Mark (R-88th)	100	O'Quinn, Israel (R-5th)
100	Cox, Kirk (R-66th)	100	Orrock, Robert (R-54th)
100	Davis, Glenn (R-84th)	100	Peace, Christopher (R-97th)
100	DeSteph, William (R-82nd)	100	Pillion, Todd (R-4th)
100	Edmunds, James (R-60th)	95	Plum, Kenneth (D-36th)
100	Fariss, Matthew (R-59th)	100	Pogge, Brenda (R-96th)
100	Farrell, Peter (R-56th)	100	Poindexter, Charles (R-9th)
95	Filler-Corn, Eileen (D-41st)	95	Preston, Joseph (D-63rd)
100	Fowler, Buddy (R-55th)	100	Ramadan, David (R-87th)
95	Futrell, Michael (D-2nd)	100	Ransone, Margaret (R-99th)
100	Garrett, Scott (R-23rd)	95	Rasoul, Sam (D-11th)
100	Gilbert, Todd (R-15th)	100	Robinson, Roxann (R-27th)
100	Greason, Tag (R-32nd)	100	Rush, Nick (R-7th)
100	Habeeb, Gregory (R-8th)	100	Rust, Thomas (R-86th)
100	Head, Christopher (R-17th)	100	Scott, Edward (R-30th)
100	Helsel, Gordon (R-91st)	95	Sickles, Mark (D-43rd)
95	Herring, Charniele (D-46th)	95	Simon, Marcus (D-53rd)
95	Hester, Daun (D-89th)	95	Spruill, Lionell, (D-77th)
100	Hodges, Keith (R-98th)	100	Stolle, Christopher (R-83rd)
95	Hope, Patrick (D-47th)	95	Sullivan, Rip (D-48th)
100	Howell, William (R-28th)	95	Surovell, Scott (D-44th)
100	Hugo, Timothy (R-40th)	100	Taylor, Scott (R-85th)
100	Ingram, Riley (R-62nd)	95	Torian, Luke (D-52nd)
100	James, Matthew (D-80th)	95	Toscano, David (D-57th)
100	Joannou, Johnny (D-79th)	95	Tyler, Roslyn (D-75th)
100	Jones, Chris (R-76th)	100	Villanueva, Ronald (R-21st)
95	Keam, Mark (D-35th)	95	Ward, Jeion (D-92nd)
100	Kilgore, Terry (R-1st)	100	Ware, Lee (R-65th)
100	Knight, Barry (R-81st)	95	Watts, Vivian (D-39th)
95	Kory, Kaye (D-38th)	100	Webert, Michael (R-18th)
95	Krupicka, Robert (D-45th)	100	Wilt, Tony (R-26th)
95	Landes, Steven (R-25th)	100	Wright, Thomas (R-61st)
100	LaRock, David (R-33rd)	100	Yancey, David (R-94th)
100	Leftwich, Jay (R-78th)	100	Yost, Joseph (R-12th)
100	LeMunyon, James (R-67th)		
100	Lindsey, Joseph (D-90th)		
100	Lingamfelter, Scott (R-31st)		
95	Lopez, Alfonso (D-49th)		

Defensive Bills

This section lists details of select defensive bills that required significant amendment or opposition to reduce the impact on Virginia industry. This section also includes the status of bills at “cross-over” or halfway through the session. **The VMA was 100% successful in defending against these bills this session.** Bills with a green “checkmark” were amended or did not pass the General Assembly. Those with a red “Ø” passed over our objections and without amendment. Those with a “blue box” are policies that are still under consideration or were largely neutralized with amendments.

There were 43 select defensive bills this session as compared to 8 bills in 2014. Further, 44% of the select defensive bills this session had Republican and 56% had Democratic patrons.

DEFENSIVE BILLS

Key:		Win	Loss	In Process/Partial Amendment			
PATRON	WORKFORCE/WORKPLACE BILLS	POSITION	DESCRIPTION	CROSS-OVER STATUS	FINAL	COMMENTS	
Simon	HB 1512 Minimum wage	oppose	Increases minimum wage to \$15.15 hour			TABLED	
Greason	HB 1616 career and technical education; alignment with national certification requirements.	amend	Defines career and technical education as those sequences of courses aligning to national certifications			Amended to recognize state and national certification and accreditation standards, and shall not apply to any program offered by industry in cooperation with a local school board	
McClellan	HB 1945 Domestic Violence Leave for employees	amend	Requires employers to allow an employee to take domestic violence leave, with or without pay, if the employee or the employee's family member is a victim of domestic violence, sexual assault, or stalking			FAILED TO REPORT	
Murphy	HB 2088 Economics education and financial literacy	oppose	Limits Board of Education and student economics education and financial literacy graduation requirements			STRICKEN	
Keam	HB 2089 Employment; abusive work environment	amend	Prohibits an employer from (i) permitting an employee to be subjected to an abusive work environment, (ii) subjecting an employee to an abusive work environment, or (iii) retaliating against an employee because the employee brings or participates in an action, investigation, or proceeding related to the abusive work environment			TABLED	
Favola	SB 704 Local minimum wage	oppose	Allows any locality to establish a \$10.50 per hour minimum wage			PASSED BY	
Puller	SB 706 Minimum wage	oppose	Increases minimum wage to \$8 hour and tipped wages to 50% of min. wage			STRICKEN	
Lucas	SB 990 Domestic violence leave for employees	amend	Requires employers to allow an employee to take domestic violence leave, with or without pay, if the employee or the employee's family member is a victim of domestic violence, sexual assault, or stalking			FAILED TO REPORT	
PATRON	TAXATION BILLS		DESCRIPTION				
Morris	HB 1293 Stormwater Fees exemptions for religious groups	oppose	Requires the State Water Control Board, in establishing a statewide fee schedule for stormwater management programs, to waive permit fees for land-disturbing activities undertaken on property owned by certain churches, religious associations, or denominations. The bill also requires localities to waive stormwater management program service charges for properties owned by such organizations			FAILED TO REPORT	
Morris	HB 1294 State and Local tax exemptions for religious groups	oppose	Exempts churches, religious associations, and religious denominations from all state and local taxes, fees, and other charges			FAILED TO REPORT	
Krupicka	HB 1590 State tax on cigarettes and other tobacco products	oppose	Increases the tax to \$2 per pack			TABLED	
Keam	HB 2095 Real property tax on commercial and industrial property	oppose	Requires counties to appropriate 30 percent of the revenue from the special tax on commercial and industrial property attributable to property located within any town that constructs and maintains its streets to such town			FAILED TO REPORT	
Garrett	SB 1144 Taxes returned to locality	oppose	Requires sales and use tax revenue generated from certain economic development projects to returned to participating localities			FAILED TO REPORT	

PATRON	ENERGY & REGULATION BILLS		DESCRIPTION	CROSS-OVER STATUS	FINAL	COMMENTS
Peace	HB 1364 Fees for testing and monitoring of land application of industrial wastes	amend	Allows local government to adopt ordinances to test and monitor the land application of solid or semisolid industrial wastes. Creates a new tax going to the VA Sludge Management Fund per dry ton of solid waste and a mandatory training program for local regulators	✓	✓	AMENDED
Ware	HB 1511 Industrial waste and sewage sludge; disclosure	amend	Requires specific written disclosure of industrial waste or sewage sludge land application or storage to a purchaser or lessee. Failure would result in legal action to recover actual damages	✓	✓	TABLED
Sullivan	HB 1622 Net energy metering program; generating facility capacities	oppose	Increases eligible customer-generator to 40 KW for residential and 1 MW for others	✓	✓	TABLED
Bulova	HB1697 Plastic Microbeads	oppose	Bans the manufacture and sale of plastic microbeads	✓	✓	TABLED
Lopez	HB 1903 State Air Pollution Control Board	oppose	Exempts higher education employees from income disqualification	✓	✓	STRICKEN
Lopez	HB 1911 Electric utilities; net energy metering	oppose	Establishes standby charge methodology for generator-customers that use incumbent utility infrastructure based upon new cost-benefit analysis	✓	✓	TABLED
Lopez	HB 1912 Electric utilities; net energy metering	oppose	Increases eligible customer-generator to 2 MW	✓	✓	TABLED
Lopez	HB 1913 Electric utilities; renewable energy resources and energy efficiency goals	oppose	Revises the existing voluntary renewable energy portfolio standard program to require participating utilities to make investments in solar energy generation, onshore wind generation, offshore wind generation, and cumulative energy efficiency savings by calendar year 2030	✓	✓	TABLED
Lopez	HB 1925 Renewable energy; third party power purchase agreements	oppose	Requires the SCC to establish third party power purchase agreement programs for eligible customer-generators in the service territories of Dominion Virginia Power and AEP	✓	✓	TABLED
DeSteph	HB 2036 Vapor products; prohibits purchase, etc., by minors, liquid nicotine packaging, penalty	amend	Requires liquid nicotine containers to have FDA child-resistant packaging & testing approved by state VDACs. Any person who sells or distributes, or offers for retail sale or distribution, a liquid nicotine container on or after December 1, 2015, in packaging that does not meet the child-resistant packaging and labeling requirements is guilty of a Class 4 misdemeanor	⊘	✓	GOVERNOR AMENDMENT ACCEPTED.
McClellan	HB 2074 ABC; Beer & Spirits	oppose	Allows retailers to add spirits to beer, store and resell	✓	✓	TABLED
Gilbert	HB 2077 Regulation of unmanned aircraft	amend	Prohibits the manufacture of weaponized unmanned aircraft systems	✓	✓	INCORPORATED INTO HB2125 & AMENDED
Sickles	HB 2155 Energy diversification requirement	oppose	Mandates investor-owned electric utilities to meet new zero-emitting energy production and energy savings achieved through demand-side efficiency goals	✓	✓	TABLED
Cline	HB 2125 Use of unmanned aircraft systems; search warrant required	amend	Prohibits the use of unmanned aircraft systems by such law enforcement and regulatory entities unless a search warrant has been obtained prior to such use	✓	✓	AMENDED
Ware	HB 2196 Virginia Energy Economic Development Advisory Board, Governor's Energy Fund	amend	Allows the Governor to issue energy incentive grants in the form of reduced electricity rates	✓	✓	TABLED
Villanueva	HB 2205 Regional Greenhouse Gas Initiative; Commonwealth Resilience Fund established	oppose	Requires the Governor to join the Regional Greenhouse Gas Initiative that established a regional CO2 electric power sector cap and trade program and establishes the Commonwealth Resilience Fund, a revolving fund to serve as a consistent revenue stream to assist counties, cities, and towns in the Hampton Roads region with the implementation of adaptation efforts to combat sea level rise and recurrent flooding	✓	✓	TABLED
Carrico	SB 740 Carbon dioxide emissions; regulation, General Assembly approval of state plan	amend	Requires the Department of Environmental Quality to receive approval from the General Assembly for Virginia's state plan to regulate carbon dioxide emissions for existing stationary sources prior to submitting the plan to the U.S. Environmental Protection Agency for approval	✓	✓	PASSED BY
McEachin	SB 771 Toxic Waste Sites inventory	amend	Requires DEQ to create and maintain an inventory of toxic waste sites	⊘	✓	LEFT IN APPROPRIATIONS
Watkins	SB 811 Water Protection and Toxic Chemicals Advisory Committee	amend	Establishes the Water Protection and Toxic Chemicals Advisory Committee to make recommendations for the protection of state water resources from toxic chemical contamination	✓	✓	AMENDED
Lewis	SB 880 Local option for disposable plastic bags ban	oppose	Allows any locality by ordinance to prohibit retailers from providing disposable plastic bags to consumers	✓	✓	FAILED TO REPORT

McWaters	SB 1101 Marking oyster planting grounds	oppose	Prohibits the use stakes or buoys made of metal or polyvinyl chloride (PVC) to mark oyster planting grounds			PASSED BY
McWaters	SB 1103 Distribution of disposable plastic shopping bags prohibited	oppose	Allows any locality by ordinance to prohibit the distribution, sale, or offer of disposable plastic shopping bags to consumers			FAILED TO REPORT
Wexton	SB 1154 Notice of discharge of deleterious substance into state waters	amend	Requires any person who unlawfully discharges any deleterious substance into state waters to notify the Department of Environmental Quality (the Department) or the coordinator of emergency services of the affected locality within 12 hours. Current law allows such a person 24 hours to give notice. The bill also requires the Board or the Department to provide each report of a discharge to local newspapers, television stations, and radio stations as soon as practicable after receiving it			LEFT IN AGRICULTURE
Stuart	SB 1325 Vapor products; prohibits purchase, etc., by minors, liquid nicotine packaging, penalty	amend	Requires liquid nicotine containers to have FDA child-resistant packaging & testing approved by state VDACS. Any person who sells or distributes, or offers for retail sale or distribution, a liquid nicotine container on or after December 1, 2015, in packaging that does not meet the child-resistant packaging and labeling requirements is guilty of a Class 4 misdemeanor			GOVERNOR AMENDMENT ACCEPTED 40-0.
Chafin	SB 1334 Electric utilities; cost recovery	neutral	Provides for cost recovery of reliability programs			PASSED SENATE
Watkins	SB 1365 Clean Power Plan; state implementation plan; General Assembly approval	amend	Requires the Department of Environmental Quality (the Department) to consider certain factors, seek input from the State Corporation Commission, and meet with interested members of the General Assembly as the Department develops a state implementation plan to regulate carbon dioxide emissions from existing power plants prior to submitting the plan to the U.S. Environmental Protection Agency for approval			AMENDED
Saslaw	SB 1449 Governor's Energy Fund	amend	Allows the Governor to issue energy incentive grants in the form of reduced electricity rates			AMENDED BUT FAILED TO REPORT
Wagner	SB 1349 Electric utility regulation; suspension of reviews of earnings	amend	Bars the State Corporation Commission (SCC) from conducting a biennial review of the base rates for investor owned utilities until 2020 and 2022. Freezes base rates during this period. Allows for Rate Adjustment Clause (RAC) adjustments. Requires partial rate case for DVP in 2015 only. Provides for fuel reductions and rebates valued at \$120 million (10% reduction in rates to GS4 customers) for DVP customers. Requires annual IRP filings. Requires SCC and DEQ annual reporting on impacts of bill and compliance with Clean Power Plan US EPA 111(d) regulation on electricity generators and energy intensive consumer rates. Requires annual review of industrial impacts. Provides for an estimated \$600 million in impaired assets to be paid for by DVP shareholders; Risk during transition period for "major events" such as hurricane or storm damages shifts to utility shareholder. Directs the SCC to essentially approve 500 MW in solar generation construction and purchased power if built in Virginia. Requires utilities to conduct pilot programs in low income weatherization and energy assistance			PARTIALLY AMENDED
McEachin	SB 1428 Regional Greenhouse Gas Initiative; Commonwealth Resilience Fund established	oppose	Requires the Governor to join the Regional Greenhouse Gas Initiative that established a regional CO2 electric power sector cap and trade program and establishes the Commonwealth Resilience Fund, a revolving fund to serve as a consistent revenue stream to assist counties, cities, and towns in the Hampton Roads region with the implementation of adaptation efforts to combat sea level rise and recurrent flooding			PASSED BY
Lewis	SJ 291 Flood resilience; DEQ to study potential for funding source to localities in coastal Virginia	oppose	Requests the Department of Environmental Quality to study the potential for the establishment of a funding source to localities in coastal Virginia for flood resilience that could result by including the Commonwealth as a full participant in the Regional Greenhouse Gas Initiative			FAILED

<http://vamanufacturers.com/advocacy/key-virginia-legislation/>

Summary

Political, business and personal experiences form the basis of a legislator's views on public policies. The VMA primarily focuses its resources on taxation, workforce development, environmental health and safety, energy, and economic development public policies. We depend upon legislators understanding the unique needs of industrial businesses. We further depend upon them to tackle complicated public policies aimed at assuring Virginia is globally competitive, not just as good as a border state. Finally, the VMA prides itself on fiscal restraint and prioritizes public policies that enable the private sector to grow without expanding state government to do so. This has become exceedingly difficult in recent years. Virginia also has a massive competitive challenge in front of it – diversifying its economy – and the General Assembly must move faster to be successful.

Let's take a brief demographic snapshot of the 2015 General Assembly. Thirty-eight percent of the House has served two terms or less and 20% of the Senate has served only one term. Only half of the General Assembly was born in Virginia and when it comes to the dominant occupation for legislators, 38% of the Senate and 23% of the House members are lawyers. It's also important to note that legislators are getting more affluent – 11% were millionaires in 2008 and now 13% are millionaires. However, female legislators have dropped from 19% in 2008 to 17% this year. The point of these demographics is that the "citizen legislator" looks less like the general population and has less experience in the legislature than any time in the last eight years. With at least ten legislators retiring this year, three incumbents being unseated in their primaries (Delegate Joannou/D-79th, Delegate Berg/R-29th and Senator Martin/R-11th), the VMA and its members are going to have to substantially increase legislator industry education to remain as effective.

An area of bipartisan cooperation is economic development. Creating a more competitive business environment and diversified economy, in light of Federal spending reductions, has captured everyone's attention. However, there was no coordinated economic development reform again this session. Economic development remains largely uncoordinated and massively redundant at the State, Regional and Local levels. It's the VMA's aspiration to work with Governor McAuliffe and General Assembly leaders to reform and align economic development programs (just as we have done with Virginia's workforce development system) to increase business formation, expand international trade and substantially improve existing industry expansion.

A public policy area where we continue to make great progress is workforce development reform. The Virginia Board of Workforce Development now has the statutory tools to align the disparate programs and nearly \$341 million in funding sources to maximize credential attainment and build an employer-centric system focused on outcomes. However, adequate General Fund resources for attaining industry credentials will require a substantial push from industry due to competing interests for limited resources and legislative leadership commitments to the traditional educational paradigm of constructing

Turnover in the General Assembly

Ten members of the General Assembly have announced that they won't seek re-election in November.



The recent pattern of high legislative turnover got us thinking: If five years ago you had made a list of legislators, how many would still be in office today?

We found that 41% (57 of 140) are no longer in office – or are giving up their seats. (That doesn't include six who have moved from the House to the Senate.)

Purple - Sought other office Green - Defeated in election Blue - Retired/Resigned Red - Deceased

HOUSE OF DELEGATES				STATE SENATE																																																																																																																																		
Abbitt	Abbott	Albo	Alexander	Anderson	Armstrong	Athey	BaCote*	Barlow	D. Bell	R. Bell	Brink	Bulova	Byron	Carr	Carrico	Cleaveland	Cline	Cole	Comstock	Cosgrove	J. Cox	K. Cox	Crockett-Stark	Dance	Ebbin	Edmunds	Englin	Filler-Corn	Garrett	Gear	Gilbert	Greason	Griffith	Herring	Hope	A. Howell	W. Howell	Hugo	Iaquinto	Ingram	James	Janis	Joannou	Johnson	Jones	Keam	Kilgore	Knight	Kory	Landes	LeMunyon	Lewis	Lingamfelter	Lohr	Loupassi	B. Marshall	D. Marshall	Massie	May	McClellan	McQuinn	Morrissey	Nixon	Nutter	O'Bannon	Oder	Orrock	Peace	Phillips	Plum	Pogge	Poindexter	Pollard	Purkey	Putney	Rust*	E. Scott*	J. Scott	Sherwood	Shuler	Sickles	Spruill	Stolle	Surovell**	Tan	Torian	Toscano	Tyler	Villanueva	Ward	L. Ware	O. Ware	Watts	Wright	Barker	Blevins	Colgan*	Deeds	Edwards	Hanger	Herring	Houck	Howell	Hurt	Locke	Lucas	Marsden	Marsh	Martin	McDougle	McEachin	McWaters*	J. Miller	Y. Miller	Newman	Norment	Northam	Obenshain	Petersen	Puckett	Puller*	Quayle	Reynolds	Ruff	Saslaw	Smith*	Stosch*	Stuart	Ticer	Vogel	Wagner	Wampler	Watkins*	Whipple

○ Indicates legislator remained in the General Assembly as a senator.

*These legislators are still in office but have announced they will not seek re-election in November.

** Not seeking re-election in the House in order to run for the Senate.

buildings, redundant funding of pet projects and perceptions about community college capabilities. Our hope is that this year’s \$1 million in pilot funding for industry credential attainment through the Virginia Community College System will serve as a catalyst for a fundamental policy shift in aligning higher education funding for industry credential scholarships, faculty and sustainable equipment.

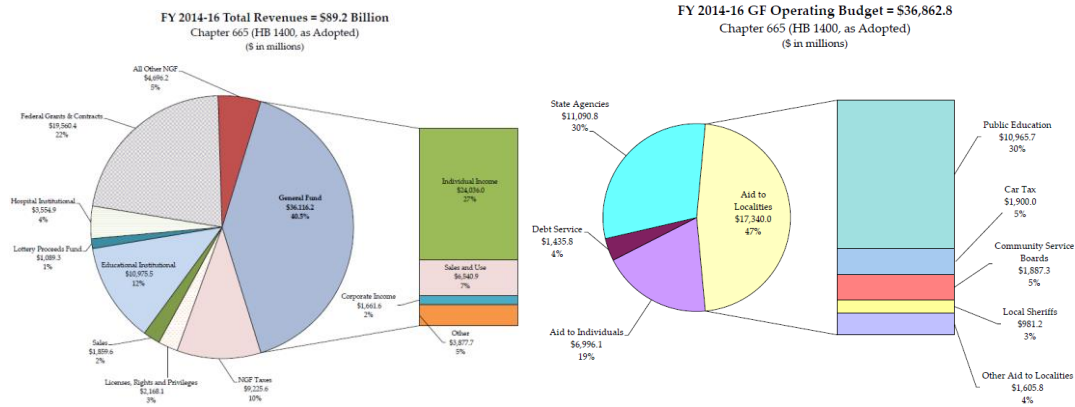
Members should also have a basic understanding of the constraints on the state budget. The General Assembly went into this session with an expectation of making substantial cuts to the existing biennial budget because of a revised FY15 revenue forecast (downgraded to 2.8% growth projection from 4.4%). However, the 3% actual revenue growth rate allowed the legislature to eliminate nearly all of the proposed tax and “fee” increases that were needed to close the original budget gap. Regardless, there was little attention again this session to any “game-changing,” strategic or visionary alternations to budget priorities that would measurable boost Virginia’s economy. This session focused almost entirely on funding government employees and institutions. In fact, the top spending priorities of this budget are listed below:

FY 2014-16 (General Fund \$ in millions)

Major Spending

<i>GF for Capital Outlay Projects and Maintenance Reserve</i>	<i>\$141.4</i>
<i>Set-aside for Future Rainy Day Fund Deposit</i>	<i>129.5</i>
<i>DMAS: New Behavioral Health Program & Other Coverage Changes</i>	<i>119.3</i>
<i>Salary Increases for State and State-Supported Local Employees</i>	<i>77.5</i>
<i>K-12: State Share of Teacher and School Staff Salary Increase</i>	<i>52.9</i>
<i>Higher Ed: Funding Support, Financial Aid, Research and Faculty Salary Increases</i>	<i>48.9</i>
<i>DOC: Inmate Medical Costs, Staffing, Hepatitis C Medications</i>	<i>35.4</i>
<i>VRS: Fund Board-Approved Rate for State Employees at 90 Percent</i>	<i>32.3</i>
<i>Eliminate Aid to Localities Reversion</i>	<i>29.8</i>
<i>Commonwealth’s Development Opportunity Fund</i>	<i>20.7</i>
<i>Compensation Board: Jail Per Diems</i>	<i>13.8</i>
<i>Criminal Fund: Indigent Defense</i>	<i>13.4</i>
<i>DBHDS: Lost Revenue from Re-Designation of Geriatric Hospitals</i>	<i>12.9</i>
<i>VITA: IT and Telecomm Charges to Agencies</i>	<i>10.8</i>
<i>DMAS: Increase Intellectual and Developmental Svcs. Waiver Rates</i>	<i>8.2</i>
<i>DBHDS: State Intellectual Disabilities Facilities Delayed Discharges</i>	<i>5.7</i>
<i>K-12: Grants for Extended School Year Initiatives</i>	<i>4.8</i>
<i>DMAS: Involuntary Mental Commitment Medical Services</i>	<i>4.6</i>
<i>DSS: Offset Decline in Child Support Revenue</i>	<i>4.2</i>
<i>Jefferson Labs: Compete for Electron Ion Collider</i>	<i>4.0</i>
<i>DBHDS: Offset Lost Medicare Payments for Health Records</i>	<i>3.8</i>
<i>DMAS: Personal and Respite Care Rate Increase</i>	<i>3.5</i>
<i>DMAS: CoverVirginia Medicaid Central Processing Unit</i>	<i>3.3</i>
<i>DBHDS: Add PACT Programs</i>	<i>3.0</i>
<i>DBHDS: Additional Local Inpatient Bed Purchases</i>	<i>2.2</i>
<i>DBHDS: Permanent Supportive Housing</i>	<i>2.1</i>
<i>DSS: Additional Local Eligibility Workers</i>	<i>2.1</i>
<i>Commonwealth Center for Advanced Manufacturing: Apprenticeship Academy Planning Grant</i>	<i>1.5</i>

Source: [House Appropriations Committee](#), 2015.



Source: House Appropriations Committee, [Summary of 2014-16 Budget Actions](#), 2015.

The bottom line is the majority of Virginia’s General Fund revenue comes from Individual Income Taxes and Sales and Use Taxes. But, its largest spending category is actually aid to localities. Hence, major structural changes in spending priorities that would lead to economic growth will require alterations to both these income and expenditure priorities. Further, Virginia has no ability to conduct [dynamic economic forecasting](#) of major tax or other policy proposals. So all legislative tax reform proposals, for example, are only scored as costing state or local government without any corresponding benefit to revenues. This “Achilles Heel” of public policy evaluation stands in the way of the reforms necessary to move Virginia into an environment where wholesale taxation reforms can be modeled for their short and long term costs and benefits to the new Virginia economy. Fortunately, the Virginia Manufacturing Development Commission is going to evaluate legislation for FY16 that would require the Virginia Department of Taxation to generate dynamic economic impact assessments for key economic development and tax legislation proposals in future years.

Understanding the state budget priorities and process is important not just to highlight major bureaucratic barriers to public policy reforms, but to also illustrate the dependency of local governments on state revenues. Further, it is critical for members to appreciate that the principal barrier to industry’s top legislative priorities (such as machinery and tools taxation repeal, fair economic development, free-market zoning, economic development reform, municipal utility cost reform, repealing tobacco taxes and accelerating K-12 Career & Technical Education reform) is local government. We are making headway with many local governments, but it has now reached a critical point for Virginia’s legislature and Executive Branch to learn from Virginia’s meteoric fall from its “best place for business” rankings and move with alacrity to make wholesale reforms that will produce a “high tide and safe harbor” for all industrial businesses – not just pick winners and losers through specialized legislation and discretionary government programs.

This session the VMA spent 500% more time on select defensive bills than last year. This level of effort can either reduce an organization’s effectiveness and/or increase its costs in order to maintain a proactive legislative agenda. Regardless, the VMA neutralized 100% of the select defensive bills and two of those bills required the Governor’s amendment and General Assembly’s concurrence. We attribute this level of success to three things: 1) an active and engaged membership; 2) an aggressive and effective government affairs team; and 3) the assistance of a network of allied organizations, including Governor McAuliffe’s staff and, specifically, the legislature’s Manufacturing Development Commission. Government affairs is truly a team sport.

As we look forward to this year’s elections for all 140 members of the General Assembly, a new FY16-17 state biennium budget and spending priorities, and new rules for engaging public officials, we have much to do. Expanded political action, prioritizing limited resources for critical economic priorities, and systemic regulatory reforms will clear the path for us to free the creativity and innovation of Virginia’s manufacturing sector and support industries. The VMA has been *Industry’s Advocate*™ since 1922 and we are committed to achieving these goals and the promise of the Commonwealth’s new economy.

To contribute to the VMA’s [Virginia Industrial Innovation Strategy](#) or participate in its government affairs program, go to <http://vamanufacturers.com/advocacy/resolutions-public-policies/> or contact Member Services at thefuture@vamanufacturers.com.