

2006 STATE LEGISLATIVE ACTIONS

Metro Dedicated Funding

As reported last month, a number of bills have been introduced in the Maryland and Virginia legislatures and the District of Columbia City Council, to address the need for dedicated funding for capital maintenance needs of Metro. These bills are in response to Congressman Davis' bill HR 3496 which would authorize 1.5 billion dollars in federal funding for the capital and preventative maintenance needs of Metro, as long as the members of the WMATA Compact do the same.

Some of these bills have seen action and/or have been amended. The following presents a brief overview of the legislation in its respective jurisdiction.

District of Columbia: One Bill.

Bill 16-569: Introduced by Cropp, Evans, Graham, and Schwartz, and co-sponsored by Ambrose, Barry, Brown, Cantania, Fenty, Gray, and Mendelson, in Committee of the Whole on December 20, 2005. The bill was amended in the Committee on Finance and Revenue on February 15, 2006. The bill establishes a nonlapsing, dedicated fund, to be funded by .05% of retail sales tax revenue, to provide additional funding for maintaining and improving the transportation system of WMATA. This funding is conditioned upon like adoption in Maryland and Virginia and the federal passage of HR 3496. Language was modified such that now only an "equivalent amount of revenue" from Maryland and Virginia is required not an "equivalent amount of sales tax" as it was originally stated.
 Status: 3/6 had second reading; scheduled for action on 4/4.

Maryland: Six Bills.

• **SB 763**, Sen. Garagiola (D, Mont): Driver Responsibility and First Responder Act, increasing penalties for certain traffic offenses and earmarking accounts where penalties are deposits; transportation-related depositories possible.

Status: First Reading Budget and Taxation Committee.

- SB 850, Sen. Kramer (D, Mont): Altering the distribution of sales and use tax revenue; creating a Mass Transit Account within the Transportation Trust Fund; providing for the distribution of specified sales and use tax revenue to the Account at a rate of 5%; limiting the use of the Account to funding specified transit capital and operating expenses.
 Status: Re-referred to Committee on Budget and Taxation
- HB 1345, Del. Hixson (D, Mont): Companion bill to SB 850.
 Status: Hearing held March 7th. The Ways and Means Committee is studying the bill; no action is expected for the next week or two.
- HB 981, Del. Barkley (D, Mont): Similar to SB 850 except, amount earmarked is 10% of existing sales tax.
 Status: Hearing held March 7th. The Ways and Means Committee is studying the bill; no action is expected for the next week or two.
- HB 1312, Del. Bronrott (D, Mont): Companion bill to SB 763.
 Status: Hearing held March 7th. The Ways and Means Committee is studying the bill; no action is expected for the next week or two.
- HB 1392, Del. Kaiser (D, Mont): Similar to SB 763 except, amount earmarked is 20% of existing sales tax.
 Status: Hearing held March 7th. The Ways and Means Committee is studying the bill; no action is expected for the next week or two.

Virginia: Five Bills.

- SB 267, Sen. Whipple (D, Arlington): Retail Sales and Use Tax; Increase in Certain Localities, imposing an additional 0.25% sales and use tax in Arlington County, Fairfax County, the City of Alexandria, the City of Fairfax, and the City of Falls Church if approved by ordinance of the governing bodies of those localities whose population comprise at least 90% of the population in all of such localities. Status: Failed in House committee; added at the last minute into the budget in an effort to secure funding. Budget reconciliation is ongoing.
- SB 701, Sen. Davis (R, Fairfax): Transportation funding: Northern Virginia, providing new funding for transportation in the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park and the Counties of Arlington, Fairfax, Loudoun, and Prince William.
 Status: Failed.
- HB 1082, Del. Scott (D, Fairfax), and HB 1003, Del. Ebbin (D, Arlington): Companion bills to SB267.
 Status: Both failed.

• **HB 1555**, Del. Rust (R, Fairfax): Companion bill to SB 701. **Status: Failed.**

<u>Chesapeake Bay</u>

The Chesapeake Bay continues to be a top priority for the Council of Governments. The Chesapeake Bay Policy Committee has made several recommendations for Board support, or concern, for the following bills or initiatives. Below is a brief description of the legislation as well as a status report.

Federal:

• **HR 4126**, Rep. Wayne Gilchrest (R, MD): To amend the Federal Water Pollution Control Act to improve and reauthorize the Chesapeake Bay program.

Status: There has been no action.

 S 1490, Sen. Paul Sarbanes (R, MD): A bill to amend the Federal Water Pollution Control Act to require environmental accountability and reporting and to reauthorize the Chesapeake Bay Program.
 Status: There has been no action.

District of Columbia:

Although new appropriations have not been made for the Chesapeake Bay, the District has consolidated several programs to create a single Department of Environment in an effort to provide a greater focus on environmental policy. This department will focus on various aspects of environmental issues including water quality and security, air quality and the health of rivers and streams.

Maryland:

Several bills were introduced that would essentially gut the flush tax and dramatically effect the funding structure for the Chesapeake Bay.

• HB 276 and SB 174, Del. Edwards (R-Garrett and Allegany) and Sen. Stoltzfus (R-Somerset, Wicomico and Worcester): Repealing the requirement that users of onsite sewage disposal systems and holding tanks pay Bay restoration fees; repealing provisions of law relating to the identification of users of onsite sewage disposal systems and holding tanks and the collection and accounting of fees from these users; altering the uses of the Fund; and repealing provisions of law relating to education, outreach, and upgrade programs for owners of onsite sewage disposal systems and holding tanks.

Status: Both failed.

• **HB 235**, Del. Rudolph (D-Cecil): Authorizing a county to opt out of collecting the Bay restoration fee from users of onsite sewage disposal systems or holding tanks; and prohibiting a county from applying for funds from the Bay Restoration Fund if it chooses to opt out of collecting the fee. **Status: Failed.**

Virginia:

In his proposed budget for FY 2007, former Virginia Governor Mark Warner proposed that the Commonwealth spend an additional \$200 million on water quality improvement projects by municipal wastewater agencies in the Chesapeake Bay watershed.

Status: As of this morning this figure was still included in the budget reconciliation.