

Virginia Legislative Update

Description

After the tumultuous start to last year's General Assembly session, when the Republican supermajority in the House of Delegates was reduced to 51 out of 100 seats with the results of a "blue wave" that brought fifteen new Democratic Delegates and a new Democratic Governor and Lt. Governor in the 2017 state elections, we expected this year's session to represent a return to relative normalcy. Session began with business as usual, the big issue being state tax conformity with the recent federal Tax Cuts and Jobs Act. Governor Ralph Northam wanted to use the windfall in state revenue resulting from the new federal law to help lower-income Virginians and increase spending on his policy priorities. Republicans in the General Assembly wanted a broader tax refund and cuts as well as more modest spending or savings.

Scandals Roil Virginia

However, a quick succession of scandals rocked the state beginning on February 1 as a photograph of Governor Northam in his medical school yearbook seemed to show him in blackface standing next to someone dressed in Ku Klux Klan robes. Calls from both parties as well as state and national figures for Northam to resign were swift and forceful. Northam apologized and later claimed that he was not in the photograph. Lt. Governor Justin Fairfax was poised to assume the governorship if Northam resigned, but then a woman accused him of sexually assaulting her in 2004. Another woman would later claim that Fairfax raped her while they were students in college. Fairfax has denied both accusations and called for a law enforcement investigation. Demands for his resignation began to match those for Northam's. This put Attorney General Mark Herring, also a Democrat, in the spotlight as he would be next in line of succession to become Governor. He had also stated that Northam should resign. But he then released a statement and apology admitting that he too had decided to wear blackface once in college. With all three of Virginia's statewide officeholders embroiled in scandal, and other revelations of both Democratic and Republican state politicians associated with racist photos, Virginia's government was in turmoil. Some speculated that all three men would resign, allowing Republican Speaker of the House Kirk Cox to become Governor.

As of this report, however, none has resigned and the calls for resignation or even impeachment have subsided. Northam continues to deal with the political fallout but insists he will remain in office, as has Fairfax, but the House Courts of Justice Committee plans to hold hearings to allow the Lt. Governor's accusers to testify. Looming over these scandals are this fall's General Assembly elections, when all 140 seats in the House and Senate will be on the ballot. Democrats worry that the blackface and sexual assault scandals will affect turnout among two key groups of voters, African-Americans and women. At the same time, the federal courts have ruled that Virginia must redraw certain House of Delegates districts in order to comply with federal law. The new maps are expected to result in more Democratic House seats.

Equal Rights Amendment Showdown

The other contentious issue to envelope this year's session was the Equal Rights Amendment (ERA). Passed by the U.S. Congress in 1972, the proposed constitutional amendment states that civil rights may not be denied on the basis of one's sex. Although Congress set a deadline of 1982 for the states to ratify the amendment, there was a renewed push for ratification as additional states approved the amendment in the last few years. If ratified in Virginia, we would be the final state necessary for the required three-fourths of all states to approve a constitutional amendment. Many skeptics point to the 1982 expiration to cast doubt on the validity of ERA approval. Although the ERA passed the Senate of Virginia (where it was sponsored by a Republican) and appeared to have enough votes in the House of Delegates, several attempts to approve the ERA in the House died in subcommittee or on the House floor, as parliamentary maneuvers to revive the motion and force a full vote were defeated. Protesters descended on the Capitol, including a woman who was arrested after she dressed as Lady Liberty depicted on the Virginia State Seal and exposed her chest in public outside the Capitol.

Budget Compromise and Sine Die

As mentioned earlier, tax conformity and the budget began as this year's major issue before the scandals and controversies that consumed the capital. The recent federal tax cuts created a revenue windfall of about \$1 billion for Virginia and required that the General Assembly decide whether and how to align Virginia's tax code with new federal standards so Virginia residents could file their tax returns. The Governor had hoped to issue a refund as a tax credit for low-income working families, and make big increases in funding for certain priorities. Republicans preferred to issue a broader refund to more taxpayers across income brackets.

After the scandals broke, the Governor and the General Assembly agreed on a compromise that Northam quickly signed in the middle of this month. The emergency tax legislation allows Virginians to properly file their tax returns. The compromise gives a rebate to taxpayers this year and then raises the standard deduction next year to conform to the federal Tax Cuts and Jobs Act. The state budget that Senate and House conferees agreed to focuses on items that must be fully funded and other shared high-priority areas like public and higher education, affordable housing, broadband internet access and economic development. Many of the Governor's original one-time budget requests were cut.

The General Assembly had to extend session by one day in order to give lawmakers a full opportunity to review the budget compromise. The 2019 session adjourned Sine Die on Sunday, February 24. Legislation of interest is listed below.

Bills	Committee	Last action	Date
HB 1655 - Miyares - Real property tax; exemption for disabled veterans, surviving spouse's ability to move. (notes!)	(H) Committee on Finance (S) Committee on Finance	(G) Approved by Governor-Chapter 15 (effective 1/1/19)	02/15/19

HB 1660 ??? Delaney ??? Landlord and tenant; landlord may obtain certain insurance for tenant, notice to tenant.	(H) Committee on General Laws	(G) Governor's Action	
	(S) Committee on General Laws and Technology	Deadline Midnight, March 26, 2019	02/21/19
HB 1701 ??? Simon ??? Gender-neutral terms; assisted conception, prohibitions on same-sex marriage and civil unions, etc.	(H) Committee for Courts of Justice	(H) Left in Courts of Justice	02/05/19
HB 1903 ??? Head ??? Criminal history record information; limitations on dissemination of information.	(H) Committee for Courts of Justice	(H) Left in Courts of Justice	02/05/19
HB 1937 ??? Krizek ??? Real property tax; exemptions for elderly and handicapped, computation of income limitation.	(H) Committee on Finance	(G) Approved by Governor-Chapter 16 (effective 7/1/19)	02/15/19
	(S) Committee on Finance		
HB 2019 ??? Murphy ??? Residential real property; required disclosures of stormwater management facilities.	(H) Committee on General Laws		
	(S) Committee on General Laws and Technology	(S) Signed by President	02/22/19
HB 2058 ??? Carr ??? Remote access to land records; fee, Department of General Services.	(H) Committee on General Laws		
	(S) Committee on General Laws and Technology	(S) Signed by President	02/21/19
HB 2060 ??? Carr ??? Real estate with delinquent taxes or liens; appointment of special commissioner, etc.	(H) Committee on Finance	(S) Conference report agreed to by Senate (33-Y 6-N)	02/22/19
	(S) Committee on Finance		
HB 2084 ??? Watts ??? Counties, certain; additional powers that include taxation, etc.	(H) Committee on Counties, Cities and Towns	(H) Left in Counties, Cities and Towns	02/05/19

HB 2175 Convirs-Fowler Va. Residential Property Disclosure Act; disclosure of special flood hazard area.	(H) Committee on General Laws	(H) Tabled in General Laws (11-Y 9-N)	01/29/19
HB 2189 Kilgore Local government; taxing authority.	(H) Committee on Counties, Cities and Towns	(H) Left in Counties, Cities and Towns	02/05/19
HB 2287 Leftwich Lease agreements; requirements; emergency.	(H) Committee on General Laws	(G) Approved by Governor-Chapter 11 (effective 2/13/19)	02/13/19
HB 2323 Yancey Clerks; refusal to record certain liens or encumbrances.	(S) Committee on General Laws and Technology		
HB 2374 Garrett Real property; validity of long-term lease.	(H) Committee for Courts of Justice	(H) Left in Courts of Justice	02/05/19
HB 2405 Adams, L.R. Real estate; delinquent taxes or liens, appointment of special commissioner, City of Martinsville.	(H) Committee on General Laws	(H) Stricken from docket by General Laws (22-Y 0-N)	01/24/19
HB 2483 Hodges Income tax, state; credit for donation to public access authority.	(H) Committee on Finance	(G) Governor's Action Deadline Midnight, March 26, 2019	02/18/19
HB 2566 LaRock Real and personal property tax; repeals tax exemption for all nonprofit entities.	(S) Committee on Finance		
HB 2575 LaRock Commercial and industrial property; additional real property tax in certain localities.	(H) Committee on Finance	(H) Left in Finance	02/05/19
HB 2614 Bloxom Taxes administered by the Department of Taxation; statute of limitations for collections.	(H) Committee on Finance	(H) Left in Finance	02/05/19
HB 2671 Gooditis Real estate settlements; kickbacks and other payments, remedies, penalties.	(H) Committee on Finance	(H) Left in Finance	02/05/19
	(H) Committee on Commerce and Labor	(H) Left in Commerce and Labor	02/05/19

	(H) Committee on General Laws	
HB 2711 Simon Real estate; exemptions, recordation of signed writing, etc.	(S) Committee on General Laws and Technology	(S) Signed by President 02/21/19
HB 2728 Convirs-Fowler Virginia Residential Property Disclosure Act; required disclosures for buyer to beware.	(H) Committee on General Laws	(H) Tabled in General Laws (11-Y 9-N) 01/29/19
HB 2768 Campbell, R.R. Clerks of court; disclosure of tax information.	(H) Committee on Finance (S) Committee on Finance	(G) Governor's Action Deadline Midnight, March 26, 2019 02/21/19
HB 2769 Campbell, R.R. Clerks of court; Torrens system.	(H) Committee for Courts of Justice (S) Committee for Courts of Justice	(G) Governor's Action Deadline Midnight, March 26, 2019 02/18/19
HJ 676 Filler-Corn Constitutional amendment; personal property tax exemption for motor vehicle of a disabled veteran.	(H) Committee on Privileges and Elections (S) Committee on Privileges and Elections	(S) Conference report agreed to by Senate (40-Y 0-N) 02/22/19
SB 1080 Edwards Property & Conveyances; revision of Title 55 to create Title 55.1, pertains to rental property, etc.	(H) Committee for Courts of Justice (S) Committee on General Laws and Technology	(H) VOTE: BLOCK VOTE PASSAGE (100-Y 0-N) 02/20/19
SB 1186 Chafin Financial institution; payment or delivery of small asset by affidavit, check, etc.	(H) Committee for Courts of Justice (S) Committee for Courts of Justice	(H) Signed by Speaker 02/23/19
SB 1190 Dance Uniform Partition of Heirs Property Act; created.	(S) Committee for Courts of Justice	(S) Passed by indefinitely in Courts of Justice (8-Y 5-N) 01/28/19

SB 1222 ??? Chafin ??? Insurance licensing, biennial; renewal for individuals and business entities, etc.	(H) Committee on Commerce and Labor (S) Committee on Commerce and Labor	(G) Governor's Action Deadline Midnight, March 26, 2019 02/20/19
SB 1240 ??? Reeves ??? Health insurance; short-term, limited-duration plans.	(H) Committee on Commerce and Labor (S) Committee on Commerce and Labor	(G) Governor's Action Deadline Midnight, March 26, 2019 02/20/19
SB 1256 ??? Ruff ??? Income tax, state; subtraction for gain from taking by eminent domain.	(H) Committee on Finance (S) Committee on Finance	(G) Governor's Action Deadline Midnight, March 26, 2019 02/20/19
SB 1422 ??? Obenshain ??? Lease agreements; requirements; emergency.	(H) Committee on General Laws (S) Committee for Courts of Justice	(G) Approved by Governor-Chapter 49 (effective 2/19/19) 02/19/19
SB 1514 ??? Carrico ??? Tax; responsibility for collection and satisfaction of all fines, costs.	(S) Committee for Courts of Justice	(S) Passed by indefinitely in Courts of Justice (13-Y 1-N) 01/23/19
SB 1610 ??? McDougle ??? Recordation tax; exemption for property transferred by deed of distribution.	(H) Committee on Finance (S) Committee on Finance	(H) Signed by Speaker 02/20/19
SB 1747 ??? Chafin ??? Insurance agents; continuing education requirements.	(S) Committee on Commerce and Labor	(S) Incorporated by Commerce and Labor (SB1222-Chafin) (15-Y 0-N) 01/31/19
SB 1782 ??? Obenshain ??? Notaries; qualifications.	(H) Committee for Courts of Justice (S) Committee for Courts of Justice	(H) Signed by Speaker 02/23/19

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