

2019

LEGISLATIVE AGENDA



LYNCHBURG REGIONAL
BUSINESS ALLIANCE
— Chamber & Economic Development —

300 Lucado Place | Lynchburg, VA 24504
Phone: 434.845.5966 | Fax: 434.522.9592
Info@LynchburgRegion.org
www.LynchburgRegion.org





2019 LEGISLATIVE AGENDA

The Lynchburg Regional Business Alliance is dedicated to strengthening our region's long-term competitiveness and advocating for pro-business policies that create jobs and grow our economy. We focus on jobs, growth and opportunity for the entire region which includes: The Counties of Amherst, Appomattox, Bedford, Campbell, City of Lynchburg, Towns of Altavista, Amherst, and Appomattox.

Our nine broad categories we consider to be priorities concerning business and economic development include:

- Education
- Energy & Environment
- Free Enterprise
- Healthcare
- Infrastructure
- Labor & Workforce
- Regulatory Reform
- Taxation
- Transportation

OUR 2019 TOP THREE LEGISLATIVE PRIORITIES (*see insert*)

- Redevelopment funds for the Central Virginia Training Center.
- I-81 Funding Solutions.
- Implementation of an E-commerce Tax.

TRANSPORTATION

The Alliance also **supports**:

GROUND TRANSPORTATION:

- Local/regional applications to SMARTSCALE project selection process.
- State and regional collaboration to study the economic role/impact of regional transportation connectivity in the Lynchburg region.
- State and local decisions focused upon corridor preservation and improvements through the implementation of access management best practices along regional routes such as 460, 29, 58, 220.
 - Communicating the long term economic benefits of corridor preservation to those localities along Regional routes.
- Timely expansion of passenger rail from Lynchburg to Bedford to the New River Valley, and continued exploration of expansion to Bristol as originally outlined in the 1998 Bristol Rail Passenger Study conducted by VDOT.
- Localities along regional routes adopting access management best practices through local ordinance changes that shape future development.
- Alignment of transportation funds to meet economic development needs in Central and Western Virginia.
- Continued exploration of innovative funding mechanisms that help our collective regions compete with Northern Virginia and Hampton Roads for transportation dollars.
- Development of an inland distribution center in Western Virginia.



AIR TRANSPORTATION:

The Alliance **supports** initiatives that expand air service at Lynchburg Regional Airport and other regional airports in Western Virginia.

INFRASTRUCTURE

BROADBAND:

The Alliance **supports** the expansion of affordable broadband and telecommunication services across the Commonwealth to support economic development, education, agriculture, telework, and telemedicine access that will ensure we are competitive in the Global economy.

The Alliance also **supports** funding solutions through the appropriate sources (such as, Department of Housing and Community Development; Tobacco Commission; and, the VRA Broadband Infrastructure Revolving Fund) for rural broadband infrastructure projects to be able to obtain financing.

The Alliance **supports** an “all of the above” technology approach (including Fiber and Fixed Wireless technology solutions) for broadband infrastructure projects, regional collaboration between the various government entities to ensure continuity for development, and efforts that quicken and ease the ability to acquire public private partnerships.



WORKFORCE

The Alliance **supports** funding and support for programs that leverage public and private partnerships to increase workforce training for targeted industry sectors relevant to each region.

The Alliance **supports**:

- Matching state funding for the establishment of a regional Workforce Center as identified as Key Initiative #7 in the region's 2016 Comprehensive Economic Development Strategy.
- Increased financial support for Central Virginia Community College's Workforce Development Programs to expand partnerships with Lynchburg region high schools.
- Continued funding for the Center for Innovative Technology (CIT) and their programs for research, technology entrepreneurship and broadband access.
- Funding to re-initiate operation to create an open research facility for universities and industry: total base-load funding is \$4 million/year for IST and INCONTROL.
- Position Virginia to take advantage of research opportunities with strong University/Industry/Laboratory partnerships.



NUCLEAR WORKFORCE:

The Alliance **supports** the development of new opportunities in Virginia's nuclear workforce:

- Advocate for an official Energy Pathway or Cluster in its Workforce Program.
- Expand the Central Virginia Community College nuclear energy training program statewide, through dialog with leadership within the Virginia Community College System (VCCS).
- Expand community college energy/nuclear training certificates.
- Increase nuclear research opportunities in the Commonwealth and bring more grant dollars into Virginia universities and facilities.

STEM ACADEMY:

The XLR8 Lynchburg Regional Governor's STEM Academy offers programs in science, technology, engineering and mathematics (subjects known collectively as "STEM") for high school juniors and seniors in Virginia's Region 2000/Lynchburg regional area. Located on the campus of Central Virginia Community College, XLR8 offers academic and technical training related to careers in engineering, mechatronics, biotechnology and health science.



The XLR8-Lynchburg Regional Governor's STEM Academy, since opening in August 2012, has successfully graduated 46 students who have earned a total of 80 career studies certificates from CVCC and have continued their education either at CVCC or a 4-year college or university. All of this has been accomplished with only a \$5,000 startup grant from the VDOE in addition to public and private funding.

The Alliance **supports** a line item or per pupil funding support for the STEM Academy's expansion which will provide an additional pathway for students in cybersecurity and summer camps for students in 6th – 10th grade.

The Alliance also **supports**:

- Collaboration on public/private talent development partnerships to ensure our economic competitiveness and future success.
- Continued funding and support of the New Economy Workforce Credentials Act, a pay-for-performance initiative that creates and sustains a demand-driven supply of credentialed workers to fill occupations where demand outstrips supply in Virginia.
- Efforts to improve coordination between Virginia's employers and job training programs.
- Career and technical schools in Central and Western Virginia and the exploration of region-wide career and technical education schools that cover multiple jurisdictions.

ENERGY

The Alliance **supports** the development of cost-effective, renewable energy sources, with Solar Energy as an example, while keeping Virginia competitive in the energy market through use of existing coal, natural gas, and nuclear resources that allow for timely development of needed energy infrastructure investments across the Commonwealth.



2019 LEGISLATIVE AGENDA

EDUCATION

K-12 EDUCATION:

The Alliance **supports**:

- The full funding of all mandates passed by the General Assembly. The partial funding or absence of funding for these mandates results in an added burden on local schools.
- The work of the State Board of Education in identifying and implementing a revised balanced assessment and accountability model. This model must address issues of equity between both individual schools and school divisions based upon individual community needs and the diversity of student populations.
- The Virginia Association of School Superintendents (VASS) requests that the Virginia Department of Education provide a cost estimate to local school divisions of any changes made to the Standards of Accreditation prior to their approval.



HIGHER EDUCATION:

The Alliance **supports** additional funding for the Virginia Tuition Assistance Grant (TAG) program to increase the award amount to \$3,400 for FY 2019. Virginia students attending private, nonprofit institutions of higher education in Virginia currently receive a \$3,270 TAG award (undergraduate students) and \$1,640 TAG award (graduate students in health professions programs). The combination of these grants for the four area private colleges and universities totaled almost \$20 million last year for the 7,100 TAG recipients who attend these colleges.

These funds have a significant economic impact on our region – 8,000 people are employed at Liberty University, University of Lynchburg, Randolph College and Sweet Briar College. In addition, approximately 2,400 families living in the Lynchburg region have students receiving a TAG award at a Virginia private college.

Concurrently, the Alliance **opposes** converting the Virginia Tuition Assistance Grant from a benefit for all of Virginia's students to only those with a particular level of financial need.

HEALTHCARE

The Lynchburg Regional Business Alliance **supports** healthcare policy that promotes access to high quality care through innovative payment programs that reward good reported outcomes and cost stewardship, ultimately creating a healthier Central Virginia. This requires ensuring access to necessary healthcare services for all payor populations, lessening the regulatory and reporting burden to healthcare providers as it contributes to cost growth and service inefficiency, creating an adequate reimbursement environment, and allowing businesses flexibility in designing employee benefit offerings.

RATE ADEQUACY:

The Alliance **supports** policies that promote adequate payment environments for our regional providers, from both commercial and government payors. This includes honoring inflation indexing for Medicaid (hospitals) and developing market based Medicaid rates (non-hospital providers). This includes successful implementation of provider rate enhancement as included in the 2018 budget, and progress towards a sustainable solution for office based Medicaid rates.

GRADUATE MEDICAL EDUCATION:

Understanding that Virginia has a deficiency of residency slots (26 slots per 100k) funded throughout the state, Virginia lags behind the national average (36 slots per 100k), the Alliance supports the current budget appropriation of \$2.5 M for 25 additional residency slots as well as considering further options to grow residency slots in Virginia.



PROMOTING GREATER COST STEWARDSHIP:

The Alliance **supports** policies that incentivize the education of consumers and providers about high quality, low cost sites of care and the regulatory impacts on access to care. The Alliance supports policies that allow both providers and payers to collaborate on delivery models that drive consumers to efficacious, cost effective care.

The Alliance **supports** preserving healthcare providers' ability to appropriately bill for their services without restrictions that disincentivizes arms-length negotiation of participation contracts between commercial providers and payors.

LEGISLATIVE AGENDA

TOP 3 LEGISLATIVE PRIORITIES



ECONOMIC DEVELOPMENT

CENTRAL VIRGINIA TRAINING CENTER:

The Alliance supports any efforts to plan and implement strategies for site re-development of the Central Virginia Training Center that would maximize the return to the state Mental Health Fund and revitalize the economies that are affected by the closure of the Training Center. It is the regional expectation that the Commonwealth will demonstrate exemplary environmental stewardship to assure the site is not left blighted and substandard. Therefore, we support ensuring that the site not be listed as surplus until the site has been declared clean with a redevelopment plan created and approved by the Amherst County Board of Supervisors.

The Alliance also **supports**:

- Go Virginia initiatives and state funding that encourage collaboration among Virginia's localities to support economic diversification and should continue in a way that complements the state's broader economic framework.
- Consistent and non-politically appointed leadership at VEDP.
- A significant increase in the Virginia Economic Development Partnership's (VEDP) budget, increased funding for the Virginia Business Ready Sites Program (VBRS), continued funding for the Commonwealth Opportunity Fund (COF), the Virginia Jobs Investment Program (VJIP), Enterprise Zones and the Agriculture and Forestry Industries Development Fund (AFID).
- Funding for economic development programs available through the VEDP and GO Virginia.
- Expanded incentives for angel and venture capital investments in Virginia businesses and increased funding to commercialize regional research spinoff and startup businesses.

TRANSPORTATION

I-81 SUPPORT AND DEVELOPMENT:

The Interstate 81 corridor does not meet the needs of our communities and current statewide transportation revenues are not sufficient to implement necessary improvements. The interstate was designed to carry 15% truck traffic; however 2016, data shows that trucks comprised 24% of vehicle miles traveled. The equivalency of one truck on mountain grades of 3+% is 4.5 passenger cars, leading to congestion problems. These capacity and terrain challenges are main contributing factors to the safety and reliability issues that we experience.

- Quality transportation infrastructure is directly linked to economic development.
- Businesses, commuters, students, and visitors depend on reliable roadways to travel and conduct business safely and efficiently.
- I-81 supports 42 percent of statewide interstate truck vehicle miles traveled (VMT).
- I-81 carries 11.7 million trucks and \$312 billion in goods per year.
- The loss of one lane on I-81 leads to 65 percent reduction in highway capacity.
- Incident clearance times on I-81 often exceed six hours, resulting in high vehicle hours of delay and negative economic impacts.
- Increased lane capacity on I-81 costs approximately \$10 million per mile per direction, and additional revenue is needed to support meaningful improvements.

Therefore, the Alliance **supports** the exploration of funding solutions for solving overuse and congestion issues on I-81.

NOTE: With recommendations from the Virginia Department of Transportation not expected until December, the Alliance will explore endorsing specific policies for this project at that time.



2019 LEGISLATIVE AGENDA

TAXES AND REGULATORY REFORM

E-COMMERCE TAX:

In the modern era, it is estimated that 89% of Americans have internet access, and in 2017 online sales totaled \$454 Billion. It has also been reported that online sales are growing at four times the rate of standard retail operations. In the United States, nearly 9% of all retail sales are online transactions.

Therefore, the Alliance **supports** simple E-commerce tax measures, which are not overbearing in nature, and promote fairness to brick-and-mortar businesses and sustain a sufficient sales tax base to core government services.



LEGISLATIVE AFFAIRS COMMITTEE

LYNCHBURG REGIONAL BUSINESS ALLIANCE LEGISLATIVE AFFAIRS COMMITTEE

Kenneth Craig, Liberty University
Chris Faraldi, Alliance Staff
Tracie A. Gallahan, First National Bank, Chair
Dr. Kenneth Garren, University of Lynchburg
Samuel Gerstemeier, CENTRA
Larry E. Jackson, Appalachian Power
Christine Kennedy, Alliance Staff

Scott Kowalski, Petty, Livingston, Dawson & Richards, PC
Robert O'Brian Jr., Lynchburg Ready Mix Concrete Co., Inc.
Chris Parandian, Chris Parandian Consulting, LLC
Turner Perrow, City of Lynchburg
John K. Putney, James Madison University
Karen Simonton, OrthoVirginia, Past Chair
Steve Willis, Randolph College



Contact: Christopher R. Faraldi, Director of Government Relations
CFaraldi@LynchburgRegion.org | 434.845.5968 x15
300 Lucado Place | Lynchburg, VA 24504
LynchburgRegion.org