



## VHTA Legislative Update 1.24.2010

### Rest Areas to Reopen by April 15<sup>th</sup>

VHTA wishes to thank Governor McDonnell for taking the initiative to reopen the 19 closed rest areas by April 15<sup>th</sup>. Rest areas are important to the safety of travelers as well as to tourism promotion and economic development. Governor McDonnell recognized that closing the rest stops “negatively impacted public safety, tourism, and economic development. The darkened rest stops presented an image of a Virginia “closed for business.” Now, Virginia will be once again open for business!

### Oppose the Elimination of the Dealer Discount & Health Permit Fee Increase

Governor Bob McDonnell is currently working on balancing a budget left by Governor Tim Kaine. Under consideration is the elimination of the dealer discount, a \$120 million reimbursement to businesses for collecting and remitting sales tax on behalf of the state. Please contact the [Governor's Office](#) as well as members of the [Senate Finance Committee](#) and [House Appropriations Committee](#) NOW to oppose the elimination of the dealer discount. Now is NOT the time to increase the tax burden on businesses.

Sitting on the Governor's desk is also a proposed increase to annual health permit fee, an unavoidable cost to restaurants, hotels and campgrounds. This proposal would *triple* the cost of annual health permit fees from \$75 to \$285, dealing a blow to business' bottom line in an already struggling economy. Contact members of the [Senate Finance Committee](#) and [House Appropriations Committee](#) NOW to oppose tripling the annual health permit fee.

### Support funding for the Virginia Tourism Corporation

VHTA fully supports funding for tourism promotion by the Virginia Tourism Corporation (VTC). VHTA supports Governor McDonnell's budget amendment to increase VTC's budget by \$3.6 million to increase marketing out-of-state. On average, tourism's economic contribution to the Commonwealth is \$19.2 billion annually, providing 210,062 jobs and generating \$4.4 billion in payroll. The tourism industry also generates \$1.28 billion in tax revenue for Virginia's communities. Every dollar policy makers invest in tourism marketing generates 5 dollars in tax revenue alone. The VTC leads the way, promoting tourism and making Virginia competitive for film production. VHTA also fully supports the Governor's \$2 million increase for the Governor's Motion Picture Opportunity Fund. This investment could provide a \$32 million economic boost to Virginia's economy, generating 254 jobs and \$2.2 million in tax revenue for Virginia's communities. Moreover VHTA supports initiatives to provide income tax credits for motion picture production. Please contact members of the [House Appropriations Committee](#) who will consider this issue Monday.



## **School Calendar Update**

This week a House Education subcommittee heard several bills related to the first day of school. These school calendar bills would authorize all Virginia public schools to open before Labor Day, shortening the summer season and taking away valuable opportunities for families to take one last summer vacation. HB565/Tata (R-Virginia Beach) failed on a 5-5 vote. Please thank Delegates Dickie Bell (R-Staunton), Mark Cole (R-Fredericksburg), Manoli Loupassi (R-Richmond), Scott Lingamfelter (R-Woodbridge) and Jim Shuler (D-Blacksburg) for their “No” vote in support of the hospitality and travel industry.

Similarly, please thank Delegates Mark Cole (R-Fredericksburg), Manoli Loupassi (R-Richmond), Scott Lingamfelter (R-Woodbridge), Jim Shuler (D-Blacksburg), and Clay Athey (R-Front Royal) for tabling HBs 771/Cleaveland, 1111/Ebbin, 799/Greason, 781 LeMunyon on a 5-4 vote.

This controversial issue will soon be before the [Senate Education & Health Committee](#). Please take a moment to contact members of that committee and let them know of your opposition to SB203/Blevins, SB 77, 53/Reynolds, SB 412/Vogel, SB498/Hurt. Tell them that VHTA opposes the opening of Virginia’s public schools before the Labor Day holiday. The opening of public schools shortens the tourism season and discourages the tourism industry, a \$19.2 billion economic engine of the Commonwealth. Currently schools may apply for a waiver to open early for inclement weather or other specific circumstances.

## **Hospitality Industry Taxes**

Several proposals to eliminate the referendum required for counties to levy a meals tax have been made this Session. VHTA supports the required referendum for counties. This ensures that taxes are levied only when the local community is in full support. Similarly, transient occupancy tax proposals are on the table. VHTA understands their ramifications and is therefore working diligently to make sure these taxes do not adversely affect the hospitality industry. Finally, VHTA is monitoring several bills to levy a tax on on-line hotel reservations to make sure the final product is in your best interest.

## **Guns in Bars; Guns in Parking Lots**

Guns are here again; where people have the authority to carry and store concealed weapons is the subject of discussion.

VHTA opposes the repeal of the current prohibition against bringing concealed weapons into establishments that serve alcoholic beverages (HB 106, HB 505 & SB 334). Under current State law, concealed weapon permit holders can patron more than 16,000 restaurants that do not have ABC licenses; therefore, these bills seek to allow guns in bars (not restaurants). Guns and alcohol simply do not mix. And, even though the bills state that the CWP-holder would be prohibited from consuming alcoholic beverages, the proprietor of the bar would not know whether or not to serve an alcoholic beverage since the weapon is concealed. Thus it is also an issue of enforcement. Repeal of the



prohibition against guns in bars also will hurt Virginia tourism. Convention & visitor bureau officials in Tennessee saw a drop in convention and tourism-related business after Tennessee recently passed similar legislation. The Virginia tourism industry does not want to see the same thing happen here.

VHTA also opposes legislation that would strip private employers of the right to adopt employment policies that prohibit employees from bringing firearms to the workplace and storing the firearms in their vehicles in the employers' parking lot (HB171/Pogge (R-Yorktown)). Gun rights should not trump the property rights of private employers.

All these bills will come before the [House Courts of Justice](#) and [Senate Courts of Justice](#) Committees. Please contact them when you have a minute and express your opposition to removing employer property rights when it comes to concealed weapons.

### **Other Bills of Note**

VHTA is monitoring several other policy matters, including initiatives to relieve employers of paying unemployment to designated seasonal employees. These bills provide clarity for both employers and employees, which is beneficial for everyone. In addition, VHTA is monitoring legislation affecting specifically the hospitality and travel industry, including the distribution of gift cards, use of plastic bags, larceny, weights & measures, and check fees. On a broader note, VHTA is keeping a close eye on changes to health insurance policy, unemployment insurance, the BPOL tax, and corporate income tax. Finally, both stormwater regulations and eminent domain are policies worthy of attention.

### **Resources to Track the 2010 General Assembly Session**

1. Virginia General Assembly's website: <http://legis.virginia.gov/>
2. Who's My Legislator website: <http://conview.state.va.us/whosmy.nsf/main?openform>
3. 2010 House of Delegates Contact List:  
<http://dela.state.va.us/dela/MemBios.nsf/MWebsiteTL?OpenView>
4. 2010 Senate of Virginia Contact List:  
[http://sov.state.va.us/SenatorDB.nsf/\\$\\$Viewtemplate+for+WMembershipHome?OpenForm](http://sov.state.va.us/SenatorDB.nsf/$$Viewtemplate+for+WMembershipHome?OpenForm)
5. 2010 Session Tracking: <http://leg1.state.va.us/cgi-bin/legp504.exe?101+men+BIL>
6. VHTA's website: [www.vhta.org](http://www.vhta.org)