

Lynchburg Regional Business Alliance 2016-2017 STATE PRIORITIES



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STATE LEGISLATIVE PRIORITIES

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.

We have adopted nine broad categories we consider to be priorities concerning business and economic development including:

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

Encapsulated in this document are our 2017 General Assembly priority issues related to these topics. Feedback from our members and the results of our 2016 state legislative survey of membership have helped comprise our 2016-2017 State Legislative Priorities. Below is a list of specific concerns which significantly impact our membership.

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) request 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 2018. Virginia students attending private, nonprofit institutions of higher education in Virginia currently receive a \$3,200 TAG award (undergraduate students) and \$1,600 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, Lynchburg College, 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.

ENERGY

The Alliance **supports** the development of cost-effective, renewable energy sources while keeping Virginia competitive in the energy market through use of existing coal, natural gas, and nuclear resources.

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 recognition of the patient Assignment of Benefits which provides for arms-length negotiation of participation contracts with commercial payers. This includes seeking greater balance between the private and public burden for bearing healthcare costs.

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 payers to drive consumers to efficacious, cost effective care.

INFRASTRUCTURE



Broadband:

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

TRANSPORTATION



Ground Transportation:

The Alliance **supports**:

- Preservation of funding for revenue sharing programs.
- Local/regional applications to SMARTSCALE project selection process.
- 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. Further communicating the long term economic benefits of corridor preservation to those localities along Regional routes.
- Implementation of study findings for the ongoing Route 29 Campbell County Strategic Highway Research Program 2 (SHRP2) project.
- 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.
- Timely expansion of passenger rail from Lynchburg to the New River Valley.
- Continued exploration of innovative funding mechanisms that help our collective regions compete with Northern Virginia and Hampton Roads for transportation dollars.



Air Transportation:

The Alliance **supports**:

- Initiatives that expand air service at Lynchburg Regional Airport.
- State Budget Provisions for Washington Dulles (IAD) — During the upcoming General Assembly session, the Alliance **supports** LYH's efforts by encouraging the Governor, Secretary of Transportation and Members of the General Assembly to include this aspect in any future United hub discussions involving IAD.

The governor's two-year budget that was passed last year provided dedicated funding for Washington Dulles International Airport in order to help reduce the high costs that are charged to the airlines for use of the airport. The intent was to provide lower airline operating costs at IAD by reducing IAD's debt service expenses in order to encourage more airline service, and was specifically aimed at United Airlines to increase the size of its airline hub operations there. A total of \$50 million split between the two budget years was included in the bill under the assumption that a healthy, growing United hub operation at IAD could provide economic benefits to all of the commercial service airports throughout the Commonwealth. Lynchburg Regional Airport (LYH) supported the governor's proposal contingent upon United's commitment to provide scheduled air service to those Virginia airports not currently served by United, which includes LYH.

Aviation Sales Tax Exemption — Virginia imposes a sales tax on aircraft parts and service that can add thousands to the cost of aircraft servicing and repair. Since aircraft owners can easily obtain maintenance services in near-by states that have eliminated sales tax on these types of aircraft services, the Virginia tax puts Virginia-based maintenance and repair operations at a distinct competitive disadvantage. The intent of this initiative is based on enhancing Virginia’s economic development potential in the aviation industry. The Alliance supports any legislation that is introduced during the upcoming GA session that would provide such an aviation sales tax exemption based on the job growth opportunities and positive economic impact it could have on local aviation businesses.

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.

CAER/IST & CIT:

The Alliance **supports**:

- Increased funding in the 2017 General Assembly budget for research at the Center for Advanced Engineering and Research (CAER) / Integrated System Test (IST) Facility in order to position Virginia to take advantage of research opportunities with strong University/Industry/Laboratory partnerships.
- 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 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 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.

LEGISLATIVE AFFAIRS COMMITTEE MEMBERS

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Dr. Kenneth Garren, Lynchburg College
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Dr. Wesley R. Fugate, Randolph College
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