APPENDIX A
SUMMARY OF ENVIRONMENTAL BILLS OF INTEREST
2014 VIRGINIA GENERAL ASSEMBLY

Each year, the Virginia General Assembly considers scores of bills that could impact the environment and conservation efforts in the commonwealth. This appendix identifies and summarizes several such bills that were considered by the General Assembly in 2014. Note that the General Assembly sometimes incorporates provisions from several bills in one substitute bill. Thus a bill may have failed, but all or some of its provisions have been "incorporated" in another bill. The summary for the bill will so note when this occurs.

The major substantive provisions of each measure are listed as summaries prepared by Virginia legislative staff. The appropriate bill number and main patron are noted so that one can obtain further information, if needed. A researcher should refer to the enrolled bill, the appropriate chapter of the 2014 Acts of Assembly, or the Legislative Information System on the Internet (http://lis.virginia.gov) for detailed information on legislation.

These summaries reflect actions of the regular session of the 2014 General Assembly through adjournment sine die on March 8, 2014. Many of the measures were subject to gubernatorial review and veto. Therefore, some measures may have been amended and some may not have become law.

Agriculture, Animal Care and Food

Bills Passed

HB 54: Compensation for livestock or poultry. Establishes a $750 cap on the fair market value that the owner of livestock that has been killed or injured by dogs or hybrid canines is entitled to receive as compensation, provided certain procedures are followed. Currently, such compensation cannot exceed $400 per animal. This bill is identical to SB 432. *Hodges*

HB 268/SB 51. Agricultural operations; local regulation of certain activities. Protects certain activities at agricultural operations from local regulation in the absence of substantial impacts on the public welfare and requires localities to take certain factors into account when regulating any of several activities: the conduct of agritourism activities, the sale of agricultural or silvicultural products or related items, the preparation or sale of foods that otherwise comply with state law, and other customary activities. The bill provides that its provisions shall not affect an entity liscensed in accordance with the alcoholic beverage control laws, affect the provisions of the Right to Farm Act, alter the provisions of Sections 15.2-2288.3 (liscensed farm wineries) or restrict the taxation authority of any locality. *Orrock*

HB 740: Duty to seize or kill a dog killing or injuring livestock or poultry. Provides that a local animal control officer or other officer shall have a duty to seize or kill a dog found in the act of killing or injuring livestock or poultry. Current law provides that the officer shall have a duty to kill the dog. *McClellan*

HB 795/ SB 614: Transportation of waste kitchen grease; decal. Requires certain persons transporting waste kitchen grease to conspicuously display a decal issued by the commissioner on the outside of any vehicle used for such purpose. Current law requires the person to display his name and registration number on the vehicle in letters not less than three inches high. *Wilt*

HB 988: Coyote control program. Directs the Department of Game and Inland Fisheries and the Department of Agriculture and Consumer Services to promote programs to those seeking assistance with coyote control concerns. *Cline*

HB 1067: Animal shelters; definitions. Substitutes the terms "private animal shelter" for "animal shelter" and "public animal shelter" for "pound." The bill also amends the definitions of "foster care provider," "foster home," and "home-based rescue." *Orrock*

SB 5: Right to Farm Act; restoration of provisions. Restores application of certain provisions of the Right to Farm Act to cities and towns that currently only apply to counties. The proposed amendments were enacted in 2007 (Chapter 444 of the Acts of Assembly of 2007) but were omitted a year later in the 2008 revision of Title 3.1, Agriculture, Horticulture and Food. This bill is a recommendation of the Code Commission. *Edwards*

SB 228: Pet dealers; diseased animals, veterinary certificate. Requires a pet dealer to reimburse certain veterinary fees when a consumer returns or retains a diseased dog or cat that has been certified by a veterinarian as being unfit for purchase. Current law requires the pet dealer to exchange the unfit pet for a pet of equivalent value. The bill extends the return or reimbursement period from 10 to 14 days in the case of an animal infected with parovirus and eliminates the condition that the animal be described as pedigreed. The bill also requires a pet shop or liscensed dealer to provide the identity of the breeder of each dog or cat for sale and incorporates information about the refund provision into the text of the required notice document. The bill requires certain dealers to record and post certain information about the breeder of each animal. *Petersen*

SB 444: Hybrid canines. Authorizes any locality to prohibit by ordinance the keeping of hybrid canines. The bill alters the definition of hybrid canine and makes technical amendments. *Norment*

Bills Failed

HB 135: Home-produced or farm-produced products. Allows the sale of food products made from any fruit, grain, herbs, honey, meat, milk, mushrooms, nuts, poultry, seafood, or vegetables by a farm operation employing 10 or fewer people or by a private home , so long as (i) the sale is made directly to consumers and (ii) the product is labeled with the producer's name and address, the product's ingredients, and a disclosure statement indicating the product is not subject to Virginia's food safety laws or regulations. *Bell, Robert B.*

Bills Carried Over

SB 32: Animal Cruelty Registry established. Requires the Superintendent of State Police to establish and maintain an Animal Cruelty Registry for public access on the website of the Department of State Police. The Registry shall include the names of persons convicted of certain felony animal cruelty offenses. The bill provides that a person on the Registry may request removal of his name after 15 years, provided that he has no additional felony convictions of an animal cruelty offense. *Stanley*

SB 622: Companion animal surgical sterilization program; fund; penalty. Establishes a fund to reimburse participating veterinarians for the surgical sterilizations they perform on eligible cats or dogs. The bill provides that a surcharge of $50 per ton of pet food distributed in the commonwealth be deposited in the fund and such pet food be exempted from the existing litter tax. An animal will be eligible for sterilization under the program if it is a feral or free-roaming cat or is owned by a low-income individual or an animal shelter or other releasing agency. The bill establishes penalties for providing false information or submitting false payment requests. *Stanley*

Constitutional Amendments

HB 738: Agreements to obtain land for conservation easements; consent required; inverse condemnation. Provides that where the commonwealth or any political subdivision possessing the power of eminent domain enters into an agreement to obtain a conservation easement, the commonwealth shall first obtain the consent of all private landowners whose property would be subject to such easement, and any such landowner whose consent is not obtained shall have a cause of action against the commonwealth for inverse condemnation. *Lingamfelter*: **CARRIED OVER**

Conservation

Bills Passed

HB 856: Hazardous waste permit.

Removes the requirement that a permit is required from the Department of Environmental Quality to transport hazardous waste. The federal government currently regulates the transporting of hazardous waste. *Fariss*

HB 858: State forest activity fee.

Authorizes the Department of Forestry to promulgate emergency regulations to establish a special use permit fee for activities taking place in state forests. Until the regulations become effective, a fee not to exceed $15 shall be charged for a special use permit for five specific activities: hunting, fishing, trapping, riding bikes, and riding horses. Currently, the Department

can charge a fee for these specific activities but does not have the flexibility to include other types of forest-based recreational activities. The bill would allow the department to use the regulatory process to include additional activities authorized under the special use permit, without having to amend the statutory authorization. *Fariss*

HB 968: Purchasers of brownfield properties.

Changes the definition of the "bona fide prospective purchaser" of brownfield property to include not only the person who acquires or proposes to acquire ownership of a brownfield property but also the tenant of such person. The bill conforms Virginia's definition with the federal definition. *James*

HB 1006/ SB 582: Update of the Probable Maximum Precipitation level. Directs the Department of Conservation and Recreation to utilize a storm-based approach to calculate the Probable Maximum Precipitation for various locations in or affecting Virginia. The methodology for a storm-based approach shall be completed by December 1, 2015. Owners of impounding structures with spillway design inadequacies who maintain coverage under the conditional certificate are not required to rehabilitate the spillway until the PMP analysis is completed and reviewed by the Virginia Soil and Water Conservation Board. The bill requires the board to consider the results of the PMP analysis in its decision of whether to authorize replacement of the current PMP values. The Department of Conservation and Recreation is authorized to expend up to $500,000 in unobligated balances from two agency funds to finance the analysis. The bill contains an emergency clause. *Byron*

HB 1034/ SB 466: Liability of owners of certain dams. Protects owners of land upon which dams that are owned, maintained, or operated by soil and water conservation districts are situated from liability for damages to the property of others or the injury to persons resulting from the failure of the dam. However, this protection is not afforded to the landowner if the damage to others is a result of an act or omission by the landowner that is unrelated to ownership, maintenance, or operation of the dam. *Orrock*

HB 1124: Liability of owners or operators of dams. Requires the owner of a dam, prior to conveying ownership of the dam or decommissioning the dam to a third party, to notify the Director of the Department of Conservation and Recreation of the transfer in accordance with the Virginia Impounding Structure Regulations requirements. *Orrock*

SB 431: Remediation fees. Removes the $5,000 cap on registration fees collected by the Department of Environmental Quality from persons conducting voluntary remediation on contaminated properties. The fees defray the costs of administering the voluntary remediation program. The bill also exempts the Virginia Waste Management Board from the regulatory requirements of the Administrative Process Act so that new regulations needed to adjust the fee schedule will be in place by July 1, 2014. The bill requires any subsequent adjustment to the fee schedule to be in compliance with the APA. *Watkins*

SB 545: Reforestation Operations Fund. Changes the current Reforestation Operations Fund to a nonreverting special fund in which the interest generated by the Fund is credited to the Fund. *Ruff*

Bills Failed

HB 16: Commission on the Reconveyance of Shenandoah National Park established; report; authority of Governor. Creates the Commission on the Reconveyance of Shenandoah National Park to develop recommendations regarding any proposed reconveyance of Shenandoah National Park by the United States government to the commonwealth. The bill authorizes the Governor to accept a proposed reconveyance and to establish as a state park any lands conveyed. The act establishing the commission will not become effective unless an appropriation of funds effectuating the purpose of the act is included in the general appropriation act passed during the 2014 Regular Session of the General Assembly that becomes law. *Marshall, R.G.*

HB 529: Federal parks in Virginia; provision of temporary funding. Authorizes the Governor to provide funding and execute necessary agreements to allow the temporary operation of any Virginia property controlled by the National Park Service in the event of a federal government shutdown. The funds may come from the State Park Conservation Resources Fund, voluntary donations, funds allocated to the Department of Conservation and Recreation, or other sources. *Pogge*

HB 1070: Litter Control and Recycling Fund Advisory Board; membership. Increases membership on the Advisory Board from five to six persons, with the new member designated to represent the craft brewery industry. *Taylor*

HB 1273: Department of Historic Resources; Advisory Commission to Protect Cemeteries and Gravesites of Our Fellow Virginians Held in Bondage As Slaves; report. Provides for the Department of Historic Resources to administer a program to provide funds to memorial associations created for the caring of graves of Virginians held as slaves at the time of their deaths or cemeteries containing such graves. The bill also establishes a temporary Advisory Commission to Protect Cemeteries and Gravesites of Our Fellow Virginians Held in Bondage As Slaves to develop a list of memorial associations that are responsible or have taken responsibility for the care of the graves of Virginians held as slaves at the time of their deaths or cemeteries containing such graves. *Marshall, R.G.*

Bills Carried Over

HB 1234: Limitation on location of a landfill. Requires the Director of the Department of Environmental Quality, during his consideration of whether to issue a permit for a new solid waste management facility or the expansion of an existing facility, to determine that the proposed expansion of a facility will not be located within 150 feet of a Resource Protection Area. *Albo*

Fisheries and Habitat of the Tidal Waters

Bills Passed

HB 390/ SB 209: Sand replenishment. Provides that when sand or other material is placed on state-owned bottomlands seaward of the mean low-water mark in order to provide beach nourishment or storm protection or as a result of a dredging project, the deposited material shall be deemed accretion. The public has a right of use and maintenance of the area as previously existed on the adjacent land above the mean low-water mark. The bill affects sand placement projects of the specified type beginning January 1, 2009. *Stolle*

HB 572: Wetlands zoning ordinance; local credit for in-lieu fees. Requires a local wetlands board to give a permit applicant credit toward local in-lieu fees in the amount of the fee he has paid, as an agreed-upon permit condition, to the Virginia Aquatic Resources Trust Fund or another dedicated wetlands restoration fund. The bill makes technical changes. *DeSteph*

HB 648: Oyster measures. Reduces from 2,800 cubic inches to 2,500 cubic inches the minimum size of the container that is one of the measures by which oysters in the shell may be bought or sold. *Ransone*

HB 655/ SB 49: Management of the menhaden fishery. Extends the sunset date for management of the menhaden fishery from January 1, 2015, to July 1, 2016. The bill also allows any person purchasing more than one of the licenses for the same vessel to catch menhaden with a purse net to pay a fee equal to that for a single license. The provisions of the program enacted in 2014 that would be extended include (i) criteria for qualifying for a limited entry purse seine bait license, (ii) allocation of the total allowable landings, (iii) administration of the management program, (iv) reporting requirements, (v) biological sampling, (vi) license fees, (vii) authority of the Commissioner of the Marine Resources Commission, and (viii) annual closure of the fishery. *Scott*

HB 845: Baylor Survey lines. Authorizes the Marine Resources Commission to reestablish the boundaries of the Baylor Survey between holders of leases on private grounds and the public grounds. Due to recent information that indicates that a number of private leases were granted by the commission within the Baylor grounds, the commission, under certain conditions, would be allowed to adjust the lines between private leases that have been held for more than five years and the publicly accessible Baylor grounds. *Lewis*

HB 909/ SB 434: Possession of channel bass. Repeals an obsolete section restricting the taking of channel bass. The Atlantic States Marine Fisheries Commission currently establishes the restrictions on the taking of channel bass (red drum). *Knight*

HB 911/ SB 569: Living shorelines general permit. Requires regulations for the issuance of general permits for living shoreline projects to include an expedited review process. The bill allows construction of such projects under the local wetlands and coastal primary sand dunes ordinances. A living shoreline is a shoreline management practice that provides erosion control and water quality benefits; protects, restores, or enhances natural shoreline habitat; and maintains coastal processes through the strategic placement of plants, stone, and fill. *Knight*

HB1092/ SB 603: Condemnation of oyster grounds. Prohibits localities from exercising the right of eminent domain to condemn privately leased riparian and general oyster planting grounds. These planting grounds are assigned to persons under a lease agreement approved by the Virginia Marine Resources Commission. An exception to the condemnation prohibition is made for permitted water-dependent linear wastewater projects where there is no practical alternative. *Ransone*

SB 145: Special fox hunting license. Establishes a special license for hunting foxes on horseback with hounds but without firearms. The license exempts the licensee from the requirement that he complete a hunter education program. The bill provides that the standard hunting license fee shall apply. *Stuart*

SB 467: Conveyance of easement. Authorizes the Marine Resources Commission to grant an easement and rights-of-way across beds of the York River, including a portion of the Baylor Survey Grounds No. 5, to Plains Marketing for the expansion, construction, updating, and maintenance of the Yorktown oil facility, an area containing 160,908 square feet or 3.694 acres. *Norment*

Bills Failed

HB 735: Submerged bottomlands; posting of claim. Requires any property owner posting notice of a claim of a right in a submerged bottomland also to post the location where a record of the special grant for the property may be found. *Lingamfelter*

SB 210: Suspension of tidal fishing privileges. Authorizes the Marine Resources Commission to suspend for five years the tidal fishing privileges of any commercial fisherman who has violated the tidal fishery laws five times or more in a two-year period. *McWaters*

Bills Carried Over

HB 847: Dumping of menhaden. Requires commercial fishermen to report any release, disposal, or dumping of more than 2,000 harvested menhaden to the Commissioner of the Marine Resources Commission. The commercial fisherman is also responsible for cleaning up any menhaden that wash onto the abutting shorelines. Any commercial fisherman who violates any of these provisions will be subject to a civil penalty of $1,000 for each offense. The proceeds from the civil penalties shall be deposited into the Marine Habitat and Waterways Improvement Fund.

Game, Inland Fisheries and Boating

Bills Passed

HB 376: Spotlighting of deer; exemption from restrictions. Allows the employment of lights by localities for the observation of deer (spotlighting) for certain activities authorized by the Department of Game and Inland Fisheries. *Bulova*

HB 1121: Composition of the Board of Game and Inland Fisheries. Changes the criteria for appointments made to the Board of Game and Inland Fisheries. The bill requires the 11 members of the board, appointed by the Governor, to be citizens of the commonwealth and knowledgeable of wildlife conservation, hunting, fishing, boating, agriculture, forestry, or habitat. Each of the four regions of the Department of Game and Inland Fisheries is to be represented by two members, and three members are to be members-at-large, each from a different region. Currently, the board consists of one member representing each congressional district. *Scott*

HB 1237/SB 154. Hunting on Sundays. Allows hunting on Sundays, under certain circumstances, of wild birds and wild animals that may be lawfully hunted on other days of the week. A person may hunt waterfowl, subject to restrictions imposed by the Director of the Department of Game and Inland Fisheries, and a landowner and his immediate family or a person with written permission from the landowner may hunt or kill any wild bird or wild animal, including nuisance species, on the landowner's property. However, the aforementioned hunting activities cannot occur within 200 yards of a house of worship. The bill prohibits the hunting of deer or bear with a gun, firearm, or other weapon with the aid or assistance of dogs on Sundays. *Gilbert*

SB 42: Penning of fox or coyote penalty. Makes it a Class I misdemeanor for any person to erect or maintain an enclosure for the purpose of pursuing, hunting or killing a fox or coyote with dogs. Until July 1, 2054, the bill exempts from the ban any foxhound training preserve that was operating under a permit issued by the Department of Game and Inland Fisheries as of January 1, 2014. The bill also directs the department to adopt regulations to limit the total number of foxes stocked annually to 900, to be allocated in proportion to the acreage of each operating preserve. Finally, the bill provides that the department shall not deny a permit solely on the basis of recordkeeping failures, and that any permit denial shall constitute a case decision under the Administrative Process Act. *Marsden*

SB 50: Endangered and threatened species. Allows a person to possess and transport any animal included on any federal list of endangered or threatened species when the federal government, under the Federal Endangered Species Act, authorizes the possession of such species as a personal pet. *Martin*

SB 371: Terms of hunting, trapping, and fishing licenses and permits. Allows the Department of Game and Inland Fisheries to issue hunting, trapping, and fishing licenses valid for one year from a future effective date. Under current law, such licenses are valid for one year from the date of purchase. *McWaters*

SB 602: Location of nonriparian blinds. Prohibits the placement of nonriparian stationary blinds in a marked navigation channel. The bill also removes the prohibition against such blinds being located in waters having a depth greater than eight feet at mean high tide. *Stuart*

Bills Failed

HB 1250: Hunting on Sundays. Authorizes the Counties of Fairfax, Fauquier, Loudoun, and Prince William to adopt an ordinance that allows the hunting of wild animals on private lands on Sunday. *Ramadan*

SB 9: Hunting coyotes on Sunday. Makes it lawful to hunt or kill coyotes on Sundays. *Garrett*

SB 13: Retrieval of hunting dogs and other animals. Requires a hunter to make a good faith effort to obtain permission from the landowner, his agent, or a person occupying a residence located on the property before entering the property to retrieve his hunting dogs, falcons, hawks, or owls from the property. *Garrett*

SB 123: Wind energy projects; regulations to mitigate adverse effects of turbine blades on wildlife. Directs the Board of Game and Inland Fisheries to adopt regulations establishing mitigation measures to reduce the adverse effects of wind turbines on wildlife. The bill lists two possible measures: the use of visual markers on turbine blades and the incorporation of sonic devices to repel birds and bats flying at night. *Garrett*

SB 192: Department of Game and Inland Fisheries; appointment of certain sworn law-enforcement positions. Eliminates the requirement that the Director of the Department of Game and Inland Fisheries make appointments to sworn law-enforcement positions above the rank of conservation police officer from existing sworn officers, absent a showing that a sufficient pool of candidates does not exist within the department. *McDougle*

Bills Carried Over

SB 37: Appointment of conservation police officers. Eliminates the requirement that the Director of the Department of Game and Inland Fisheries, when making appointments to sworn officer positions above the rank of conservation police officer, select from among the sworn conservation police officers within the department. *Howell*

SB 258: Law-enforcement consolidation plan. Directs the Secretary of Natural Resources, in cooperation with the Department of Game and Inland Fisheries and the Marine Resources Commission, to develop a plan for the consolidation of the law-enforcement functions of the two agencies under the Department of Game and Inland Fisheries. The bill includes criteria and issues to be considered in developing the consolidation plan. The bill directs the Secretary to submit the plan to the committees of oversight by November 1, 2014. *Deeds*

Mines and Mining

Bills Passed

HB 710/ SB 560: Reclamation of coal-mined areas. Amends the Virginia Coal Surface Mining Control and Reclamation Act of 1979 by removing the ability of certain applicants to provide a bond without separate surety. The bill also raises the target balance of the Coal Surface Mining Reclamation Fund (the Fund) from $1.75 million to $20 million, alters the method of deducting certain expenditures from the Fund, and makes technical amendments. The provisions of the bill affecting § 45.1-270.4 have an expiration date of July 1, 2017. *O'Quinn*

HB 1025: Biofuels Production Incentive Grant Program. Changes the amount of the grant for biofuels produced in the commonwealth from $0.10 for each gallon produced and subsequently sold to (i) $0.04 for each gallon sold in calendar year 2014, (ii) $0.03 for each gallon sold in calendar year 2015, and (iii) $0.025 for each gallon sold in calendar year 2016 and during the period January 1, 2017, through June 30, 2017. Each producer applying for a grant for 2015 production of biofuels is required to make a good faith effort to produce such biofuels using feedstock that is not derived from corn or the corn kernel, stalk, or any other part of the plant. No grant will be awarded for biofuels produced in 2016 or thereafter using feedstock derived from corn or the corn kernel, stalk, or any other part of the plant. The bill provides for maximum of $1.5 million in grants to be awarded in each of fiscal years 2014-2015, 2015-2016, and 2016-2017. The bill changes current law that provides for no grant to be awarded for sales of biofuels made subsequent to December 31, 2016. *Ingram*

Bills Failed

HB 140: Multistate Coal Compact. Establishes a multistate coal compact that allows member states that mine, process, market, or sell coal or coal-related products to facilitate best industry practices and to more effectively coordinate the mining, processing, marketing, and sales of coal and coal-related products. *Marshall, R.G.*

HB 915: Hydraulic fracturing on state-owned uplands. Requires that any permit or lease for oil or gas exploration or extraction on state-owned uplands allow the use of hydraulic fracturing. *Poindexter*

SB 217: Pollutant discharge permit for surface mining. Eliminates the requirements that the Director of the Department of Mines, Minerals and Energy submit a copy of the application for a discharge permit to the State Water Control Board for its review and provide the board with a written notice of every action taken in consideration of the permit application. The bill also removes the authority of the State Water Control Board to object to the issuance of a discharge permit. *Carrico*

Bills Carried Over

HB 461: Coalbed methane gas; release of funds held in escrow or suspense. Requires the operator of certain previously pooled coalbed methane gas wells to request, by the beginning of 2015, the release of any funds held in escrow or suspense to the person who possesses a claim through a gas title. A coal claimant may halt such a release of funds by providing evidence that the coal and gas claimants have reached an agreement or that a proceeding against the gas claimant is pending. For a well that is pooled after July 1, 2014, the bill requires the operator to pay royalties directly to the gas claimant unless the coal claimant provides evidence of an agreement or a proceeding within a certain time. *Kilgore*

SB 547: Sampling of well near uranium exploration activity. Requires the holder of a permit to conduct uranium activities to contact those property owners who have wells located within 750 feet of the exploration activity and, with the owners' consent, to periodically sample their water supply. The bill requires sampling every six months during the time the exploration activity is being conducted and six months after the exploratory drill holes have been plugged. The permit holder is required to submit the results of the tests to the State Health Department, which is required to provide a nontechnical interpretation of the results to the well owner. The permit holder will be responsible for reimbursing the State Health Department for the costs of providing the nontechnical description of laboratory results to the well owner. *Ruff*

Motor Vehicles

Bills Passed

HB 341: Natural gas vehicles; weight limit exception. Allows vehicles fueled, wholly or partially, by natural gas to weigh up to 2,000 pounds more than the applicable weight limit on non-Interstate highways. The bill requires the operator of the vehicle to be able to demonstrate that the vehicle uses natural gas. *Taylor*

Bills Failed

HB 819: Converted electric vehicles. Reduces from three inches to one inch the minimum height of lettering required on converted electric vehicles. *Lopez*

HB 1162: Weight limits of coal trucks. Provides that if the load of a coal truck does not rise above the top of the bed or the line painted to indicate the maximum permissible height of the load, there is an irrebuttable presumption, rather than prima facie evidence, that the weight of the vehicle is within applicable limits. *Morefield*

Bills Carried Over

HB 741: Vehicle exhaust systems; antique motor vehicles. Exempts antique motor vehicles with exhaust systems in good working order and in constant operation to prevent excessive or unusual noise from the requirement that they have an exhaust system that is standard factory equipment or comparable to standard factory equipment. *Fariss*

SB 505: Natural gas; incentives for expanded use as transportation fuel. Establishes financial and regulatory incentives for expanding the use of compressed natural gas and liquefied natural gas for transportation purposes in the commonwealth. Vehicles fueled, wholly or partially, by natural gas are authorized to weigh up to 2,000 pounds more than the applicable weight limit, and the bill provides that limits on hauling hazardous materials over a bridge or through a tunnel do not apply to fuel required to propel the vehicle. The bill provides for the titling and registration of natural gas vehicles and converted natural gas vehicles, including a provision that the motor vehicle titling tax on NGVs apply to the value of such vehicle without a CNG or LNG system. The bill establishes a Natural Gas Vehicle Incentive Fund and grant programs through which moneys in the Fund may be expended for increasing public access to natural gas fueling stations, purchasing NGVs, or converting vehicles to natural gas. Revenues for the Fund come from moneys allocated by the commonwealth Transportation Board; registration fees for NGVs; clean special fuel license plate fees; the Natural Gas Consumption Tax; severance taxes on natural gas; revenues from taxes on pipeline transmission and distribution companies, including the special regulatory revenue tax; and such other funds as may be appropriated. The bill also exempts natural gas home refueling appliances from the sales and use tax, allows taxicabs fueled by natural gas to move to the front of an airport queue, allows trucks bearing clean special fuel stickers to use high-occupancy vehicle lanes, and provides for the reimbursement of tolls for operators of NGVs. The bill further allows public access to state fueling areas and clarifies that refunds on motor fuel taxes apply to commercial equipment using natural gas. The measure requires the Department of General Services' plan for the replacement of state-owned or operated vehicles with alternative-fueled vehicles to include a provision requiring the purchase of NGVs rather than conventional vehicles or other vehicles that operate using alternative fuels whenever the life-cycle cost for such vehicles is not more than 10 percent greater than for conventional vehicles. The measure increases the membership of the Board of Directors of the Virginia Universities Clean Energy Development and Economic Stimulus Foundation to include a nonlegislative citizen member who shall represent an association advocating growth in North America of the use and acceptance of vehicles powered by natural gas. The purpose of the Foundation is expanded to include advancing the goal of increasing the number of NGVs operating within the commonwealth. The powers of the Foundation's Board of Directors are augmented to include providing assistance to the Department of Motor Vehicles in its awarding of competitive grants and other incentives relating to NGV fueling facilities and related infrastructure, conversions of conventionally fueled vehicles to NGVs, and purchases of original equipment manufacturer NGVs. The measure exempts certain materials provided to the Department of Motor Vehicles from the public records requirements of the Freedom of Information Act. Memoranda, staff evaluations, and other records prepared by the department or its staff exclusively for the evaluation of grant applications are also exempted from the Act. The measure authorizes the department to hold closed meetings to discuss or consider such records. The measure requires that CNG sold at retail for use as a motor fuel be dispensed in gasoline

gallon equivalent units or diesel gallon equivalent (DGE) units and that LNG sold at retail for use as a motor fuel be dispensed in DGE units. The measure provides that, notwithstanding weights and measures equivalents published by the National Institute of Standards and Technology, a GGE of CNG shall initially be set at 5.66 pounds, a DGE of CNG shall initially be set at 6.38 pounds, and a DGE of LNG shall initially be set at 6.06 pounds. These levels may be changed pursuant to regulation adopted by the Commissioner of Agriculture and Consumer Services if changes occur in the energy content of motor fuels, in which event the commissioner shall take into consideration whether the National Conference on Weights and Measures has adopted similar standards for dispensing CNG and LNG. Commencing January 1, 2015, any dispenser used for the sale of CNG or LNG at retail for use as motor fuel shall display the GGE or the DGE unit as the primary display information provided. The dispenser shall indicate (i) the number of GGEs or DGEs sold, (ii) the total sales price of the CNG or LNG dispensed, and (iii) the sales price per GGE or DGE of the CNG or LNG sold. The measure excludes any person who is not a public service corporation and who provides CNG or LNG fueling service at retail from the meaning of the terms "public utility," "public service corporation," or "public service company." The ownership or operation of a facility at which such a fueling service is sold, and the selling of such service from that facility, does not render the person a public utility, public service corporation, or public service company solely because of that sale, ownership, or operation. The provision of CNG or LNG fueling service by a person who is not a public utility shall not constitute the retail sale of natural gas if the natural gas furnished in connection with the provision of such service is used solely for transportation purposes. Providing CNG or LNG fueling service is declared to be a permitted natural gas utility activity of a certificated natural gas utility. A natural gas utility may establish a CNG home fueling appliance loan program under which it may offer to its residential customers the option to lease a CNG home fueling appliance from the utility at amounts that are subsidized by the utility. Finally, the measure requires the Virginia Port Authority to conduct a study of the issues related to the siting of LNG storage and refueling facilities in the Hampton Roads region for transportation purposes. *Wagner*

Property and Conveyances

Bills Passed

HB 614: Landlord and tenant law; energy submetering; local government fees. Provides that in lieu of increasing the rent, the owner, manager, or operator of a commercial or residential building or campground may employ a program that utilizes a mathematical formula for allocating the actual or anticipated local government fees billed to the building or campground owner among the tenants in such building or campground if clearly stated in the rental agreement or lease. Such owner, manager, or operator of a commercial or residential building or campground may also charge and collect from each tenant additional service charges, including monthly billing fees, account set-up fees, or account move-out fees, to cover the actual costs of administrative expenses for administration of such a program. If the building is residential and is subject to the Virginia Residential Landlord and Tenant Act, such local government fees and administrative expenses shall be deemed to be rent. The bill defines the term "local government fees" as any local government charges or fees assessed against a commercial or residential

building or campground, including stormwater, recycling, trash collection, elevator testing, fire or life safety testing, or residential rental inspection programs. *Miller*

Bills Failed

SB 152: Disclosure of presence of dam. Requires the first seller of a residential property (developer) that is located in a dam break inundation zone to disclose to any prospective purchaser of the property that the property is located in such a zone and that the failure of the dam may represent a threat to public health and safety. *Stuart*

Public Service Companies

Bills Passed

HB 822/ SB 498: Renewable energy portfolio standard program. Limits the ability of an electric utility participating in the renewable energy portfolio standard program to bank renewable energy sales or renewable energy certificates that are in excess of the yearly sales requirement for that RPS Goal. The measure provides that the utility may use such excess sales or RECs to achieve the RPS Goals only in the subsequent five calendar years after the renewable energy was generated or the certificates were created. An electric utility may continue to apply RECs that it acquired prior to January 1, 2014.
Lopez

HB 949/ SB 519: Natural gas utilities; upstream supply infrastructure projects. Authorizes a natural gas utility to recover eligible costs of eligible natural gas supply infrastructure projects. A plan for recovery of such costs may provide the utility with an option to receive the gas or sell the gas at market prices. The measure also (i) provides that the transportation of natural gas by pipeline, without providing service to end users within the territory, shall not be considered operating in the territory of another certificate holder; (ii) bars the State Corporation Commission from approving the construction of a natural gas compressor station in an area without the locality's certification only if the area is zoned exclusively for residential use; and (iii) expands the definition of a strategic natural gas facility to include a natural gas transmission company that adds design day deliverability or designed send out of at least 100,000 dekaTherms per day in the aggregate. *Hugo*

SB 459: Electric utility regulation; recovery of nuclear costs. Requires an electric utility to establish a regulatory asset for regulatory accounting and ratemaking purposes under which it shall defer operation and maintenance costs incurred in connection with the refueling of any nuclear-powered generating plant and certain related work. These deferred O&M costs shall be amortized over the refueling cycle, but in no case for more than 18 months. The State Corporation Commission is required to treat the deferred and amortized costs of such regulatory asset as part of the utility's costs for the purpose of certain proceedings. The measure also limits the portion of all costs incurred by an electric utility between July 1, 2007, and December 31, 2013, in developing a nuclear power facility that are recoverable through a rate adjustment

clause to 30 percent of such amount. The remaining 70 percent of all such costs related to such a facility shall be recovered ratably through existing base rates as determined by the SCC in the test periods under review in the utility's next biennial review filed after July 1, 2014. All of the costs incurred after December 31, 2013, may be deferred for recovery through a rate adjustment clause as may be approved by the SCC. The measure also states that the planning and development activities for new nuclear generation facilities are in the public interest. *Stosch*

SB 643: Electric utilities; costs of offshore wind facilities. Limits the portion of all costs incurred by an electric utility between July 1, 2007, and December 31, 2013, in developing an offshore wind facility that are recoverable through a rate adjustment clause to 30 percent of such amount. The remaining 70 percent of all such costs related to such a facility shall be recovered ratably through existing base rates as determined by the SCC in the test periods under review in the utility's next biennial review filed after July 1, 2014. All of the costs incurred after December 31, 2013, may be deferred for recovery through a rate adjustment clause as may be approved by the SCC. The measure also states that the planning and development activities for new generation facilities utilizing energy derived from offshore wind are in the public interest. *McEachin*

Bills Failed

HB 363: Electric utility regulation; approval of generation facilities. Requires the State Corporation Commission, in its consideration of an application for approval of an electrical generation facility, to consider environmental effects not expressly governed by a permit or expressly considered by a permitting authority, including carbon emissions and the overall impacts of new and existing facilities on the health and welfare of the residents of the commonwealth. The measure also removes provisions that prohibited the commission from imposing additional conditions with respect to such matters. *Kory*

HB 808: Electrical utility facilities; consideration of stability of fuel prices. Requires the State Corporation Commission, when required to approve the construction of any electrical utility facility, to consider the long-term price stability of any fuels used in the generation of energy from the facility.
Lopez

HB 879/906: Net energy metering by municipalities and multifamily customer-generators. Authorizes municipal renewable energy net metering projects. Participating municipalities are authorized to aggregate the electric energy load of their governmental buildings, facilities, and any other governmental operations requiring the consumption of electric energy for the purpose of net energy metering from a renewable energy generating facility. To be eligible, the generation facility for the municipal renewable energy net metering project shall use as its sole energy source solar power, wind power, or aerobic or anaerobic digester gas and landfill gas; not have an aggregate generation capacity of more than five megawatts unless a utility elects a higher capacity; be located on land owned or controlled by the municipality; be interconnected and operated in parallel with an electric utility's transmission and distribution facilities; and be used primarily to provide energy to metered accounts of the municipality. The aggregated municipal net metered accounts may be served by multiple meters. The aggregated load shall be

served under the appropriate rate schedules. The measure also requires the State Corporation Commission, by July 1, 2015, to establish a program of multifamily net energy metering, which will allow a customer or customers that operate a renewable energy generating facility in a condominium, apartment complex, neighborhood, or homeowners association served by a common distribution circuit to be an eligible multifamily net metering customer-generator. The generation facility for multifamily net metering shall use as its total source of fuel renewable energy; not have an aggregate generation capacity of more than 500 kilowatts; be located on land owned or controlled by the eligible condominium, apartment complex, or homeowners association or on customers' property within the condominium, apartment complex, neighborhood, or homeowners association; be interconnected and operated in parallel with an electric utility's transmission and distribution facilities; and be used primarily to provide energy to metered accounts of the eligible multifamily net metering customer-generator. Eligible multifamily net metering customer-generators are exempt from the monthly standby charge assessed on other eligible customer-generators. *Yost*

HB 1061: Renewable energy portfolio standard program. Establishes minimum percentages of the RPS Goals that Dominion, defined as a Phase II utility, is required to meet from distributed generation energy sources. Dominion may meet this goal by applying renewable energy certificates from any combination of (i) energy derived from renewable energy by a system capable of net energy metering located on the distribution grid, (ii) renewable thermal energy from solar water heating systems located in the commonwealth, or (iii) a financial contribution to the Voluntary Solar Resource Development Fund. The distributed generation minimum starts at 5 percent in reporting year 2015 and is 25 percent in reporting year 2024 and thereafter. In connection with the issuance of renewable energy certificates for qualified investments, a participating utility is required to divide the amount of its qualified investments in the Voluntary Solar Resource Development Fund during the applicable period by the lesser of the average price for solar renewable energy certificates or $250 and divide the amount of all other qualified investments by the participating utility during the applicable period by the average price for Tier 1 renewable energy certificates and for Tier 2 renewable energy certificates. The State Corporation Commission is required to establish a market-based renewable energy trading system. The trading system shall be consistent with and operate in conjunction with the trading system developed by PJM Interconnection LLC. The ability to carry forward renewable energy certificates is limited to the two years following the year in which the certificate was created. The measure also eliminates provisions for double or triple credit toward meeting the renewable energy portfolio standard for energy derived from specific renewable energy sources.
Surovell

HB 1158: Distributed electric generation; community solar gardens. Authorizes the establishment of community solar gardens, which are required to be owned by a subscriber organization that has at least 10 subscribers. Subscribers will receive credits on their utility bills from energy generated at the solar facility in proportion to the size of their subscription. The output and renewable energy credits from a solar garden shall be purchased by the utility in the form of net metering credits allocated to the subscribers. To the extent that a subscriber's net metering credit exceeds the subscriber's electric bill in any billing period, the credit will be applied against future bills. If the electricity output of the community solar garden is not fully subscribed, the utility is required to purchase the unsubscribed renewable energy at a rate equal

to the utility's average hourly incremental cost of electricity supply over the immediately preceding calendar year. *Surovell*

HB 1224: Natural gas-fueled electric generation facilities; incentives. Requires an investor-owned utility designated a default service provider in the commonwealth whose parent corporation is not headquartered in Virginia (qualified utility) to consider the generation or purchase of power in its service territory within the commonwealth before acquiring power from plants outside the commonwealth. The measure also authorizes a qualified utility to petition the State Corporation Commission for approval to construct or cause to be constructed a combined cycle natural gas-fueled electric generation facility to meet its native load and default service obligations, which shall (i) be located in the Virginia service territory of a qualified utility, (ii) not emit more than 1,000 pounds of carbon dioxide per megawatt-hour, (iii) be able to provide firm transmission and deliver power on a firm and on-demand basis, and (iv) provide substantial economic benefits. The qualified utility or owner of the qualified facility shall have a filed queue position in PJM Interconnection LLC for the power from the qualified facility, have made application for an air permit for the qualified facility with the Department of Environmental Quality, and have received local permits for construction and operation of the qualified facility. The construction of a qualified facility that utilizes energy resources located within the commonwealth is declared to be in the public interest. *O'Quinn*

SB 580: Renewable energy portfolio standard program; renewable energy certificate registration and tracking system. Requires the State Corporation Commission to establish a system for registering and tracking renewable energy certificates in order to facilitate the creation and transfer of such certificates. To the extent practicable, the system shall be consistent with and operate in conjunction with the system developed by PJM Interconnection LLC. The system shall include a registry of information regarding available renewable energy certificates and renewable energy certificate transactions. The measure establishes limits on the duration of a renewable energy certificate. The commission is also directed to establish requirements for documentation and verification of renewable energy certificates by licensed energy suppliers and renewable energy generators, including net energy metering program participants. The measure eliminates provisions for double or triple credit toward meeting the renewable energy portfolio standard for energy derived from specific renewable energy sources, except that a utility will receive double credit toward meeting the standard for energy derived from onshore wind obtained via power purchase agreements entered into prior to January 1, 2013. *Edwards*

Bills Carried Over

HB 881: Renewable energy portfolio standard program; renewable energy certificate registration and tracking system. Requires the State Corporation Commission to establish a system for registering and tracking renewable energy certificates in order to facilitate the creation and transfer of such certificates. To the extent practicable, the system shall be consistent with and operate in conjunction with the system developed by PJM Interconnection LLC. The system shall include a registry of information regarding available renewable energy certificates and renewable energy certificate transactions. The measure establishes limits on the duration of a renewable energy certificate. The commission is also directed to establish requirements for

documentation and verification of renewable energy certificates by licensed energy suppliers and renewable energy generators, including net energy metering program participants. The measure eliminates provisions for double or triple credit toward meeting the renewable energy portfolio standard for energy derived from specific renewable energy sources, except that a utility will receive double credit toward meeting the standard for energy derived from onshore wind obtained via power purchase agreements entered into prior to January 1, 2013. *Yost*

HB 1001: Electric utilities; on-bill financing programs for eligible energy efficiency measures. Requires electric utilities to file with the State Corporation Commission a plan for implementing an on-bill financing program. An on-bill financing program allows eligible residential customers to arrange through the utility for the installation of energy efficiency measures that are projected to have estimated electricity savings sufficient to exceed the costs of the measure by not less than 10 percent, without any required upfront payment. The customer will be allowed to pay back the costs of the measures through an agreement, not to exceed five years in duration, that provides for a designated charge to be placed on the customer's billing statement. *Yancey*

SB 350: Net energy metering by municipalities and multifamily customer-generators. Authorizes municipal renewable energy net metering projects. Participating municipalities are authorized to aggregate the electric energy load of their governmental buildings, facilities, and any other governmental operations requiring the consumption of electric energy for the purpose of net energy metering from a renewable energy generating facility. To be eligible, the generation facility for the municipal renewable energy net metering project shall use as its sole energy source solar power, wind power, or aerobic or anaerobic digester gas and landfill gas; not have an aggregate generation capacity of more than five megawatts unless a utility elects a higher capacity; be located on land operated in parallel with an electric utility's transmission and distribution facilities; and be used primarily to provide energy to metered accounts of the municipality. The aggregated municipal net metered accounts may be served by multiple meters. The aggregated load shall be served under the appropriate rate schedules. The measure also requires the State Corporation Commission, by July 1, 2015, to establish a program of multifamily net energy metering, which will allow a customer or customers that operate a renewable energy generating facility in a condominium, apartment complex, neighborhood, or homeowners association served by a common distribution circuit to be an eligible multifamily net metering customer-generator. The generation facility for multifamily net metering shall use as its total source of fuel renewable energy; not have an aggregate generation capacity of more than 500 kilowatts; be located on land owned or controlled by the eligible condominium, apartment complex, or homeowners association or on customers' property within the condominium, apartment complex, neighborhood, or homeowners association; be interconnected and operated in parallel with an electric utility's transmission and distribution facilities; and be used primarily to provide energy to metered accounts of the eligible multifamily net metering customer-generator. Eligible multifamily net metering customer-generators are exempt from the monthly standby charge assessed on other eligible customer-generators. *Edwards*

Taxation

Bills Passed

HB 131/ SB 414: Tax contributions for restoration of the Chesapeake Bay. Requires the Secretary of Natural Resources to submit a report to the committees of oversight and the Virginia delegation to the Chesapeake Bay Commission by November 1 of each year describing how the moneys from the voluntary income tax check-off for Chesapeake Bay restoration activities were expended. The bill requires the report to be posted on a website maintained by the Secretary of Natural Resources, along with a cumulative listing of previous grants, beginning with awards granted on or after July 1, 2014. *Lingamfelter*

HB 975/ SB 127: Annual license tax on hybrid electric motor vehicles. Repeals the $64 annual license tax on hybrid electric motor vehicles that was first imposed beginning July 1, 2013. The bill also provides for refunds of the license tax paid on hybrid electric motor vehicles for registration years beginning on or after July 1, 2014. *Rust*

HB 1239/ SB 418: Real and personal property tax exemption; solar energy equipment, facilities, or devices. Exempts from real and personal property tax business-owned or business-operated solar energy equipment, facilities, or devices that collect, generate, transfer, or store thermal or electric energy. *Hugo*

SB 653: Renewable energy property grants. Establishes, beginning with fiscal year 2016, grants for placing into service renewable energy property. The grant would equal 35 percent of the costs paid or incurred to place the renewable energy property into service, not to exceed $2.5 million for any individual piece of renewable energy property. The bill provides that grants in excess of 2.5 percent of the total program appropriation for the relevant fiscal year would be paid in three equal calendar year installments. No grant would be awarded for renewable energy property that generated electricity within the 12 months preceding the date of the grant application or renewable energy property paid for by utility ratepayer funds. The bill defines renewable energy as energy derived from sunlight, wind, falling water, biomass, waste, landfill gas, municipal solid waste, wave motion, tides, or geothermal power, but not including energy derived from coal, oil, natural gas, or nuclear power. The Department of Mines, Minerals and Energy would administer the grant program. The department would be authorized, subject to appropriation, to award up to $10 million in renewable energy property grants for fiscal year 2016. The act contains a second enactment that requires the act to be reenacted in the 2015 General Assembly in order to become effective. *Norment*

Bills Failed

HB 117: Paper and plastic bag tax. Imposes a tax of five cents ($0.05) beginning on July 1, 2015, on disposable paper bags and disposable plastic bags used by purchasers to carry tangible personal property purchased in grocery stores, convenience stores, or drug stores. The following would be exempt from the tax: durable, reusable plastic bags; plastic bags used to carry ice cream, meat, fish, poultry, leftover restaurant food, newspapers, and dry cleaning; paper and

plastic bags used to carry alcoholic beverages or prescription drugs; and multiple plastic bags sold in packages and intended for use as garbage, pet waste, or leaf removal bags. Retailers are allowed to retain one cent ($0.01) of the five-cent ($0.05) tax or two cents ($0.02) if the retailer has a customer bag credit program. Failure to collect and remit the tax will result in fines of $250, $500, and $1,000 for the first, second, and third and subsequent offenses, respectively. The revenues from the tax would be deposited into the Virginia Water Quality Improvement Fund. The bill also authorizes each county and city by ordinance to impose a tax on disposable paper bags and disposable plastic bags at the same rate and under the same terms and conditions as the state tax. Revenues from the local tax would be collected by the Tax Commissioner and distributed monthly to the county or city imposing the tax. Each county or city adopting an ordinance to impose the tax would be required to provide a certified copy of the ordinance to the Tax Commissioner at least six months prior to the date the tax is to become effective. *Morrissey*

HB 345: Motor fuels tax; alternative fuels. Provides that the motor fuels tax on non-liquid alternative fuels shall be the percentage tax on a gallon of gasoline multiplied by the average wholesale cost of the amount of the alternative fuel required to produce the energy content of a gallon of unleaded gasoline, for each such amount of alternative fuel. *Taylor*

HB 508: Tax credit for public access to natural gas fueling stations. Provides for a tax credit for owners of natural gas fueling stations that are open to the public on or after January 1, 2015. The amount of the credit is equal to 30 percent of the fuels tax on gallons purchased for resale or 40 percent of the fuels tax on gallons purchased for resale if the fueling station is within three miles of I-95. *Taylor*

HB 623: Annual fee on electric, hybrid electric, and alternative fuel motor vehicles. Replaces the $64 annual license tax on electric, hybrid electric, and alternative fuel motor vehicles with a $64 annual road usage fee on (i) electric motor vehicles and (ii) any other motor vehicle that has a combined city/highway fuel economy rating equal to or greater than 40 miles per gallon or 40 miles per gallon of gasoline-equivalent, according to standards and regulations of the U.S. Environmental Protection Agency. *Watts*

HB 1063: Renewable energy property tax credits. Establishes beginning with taxable year 2014 tax credits for placing into service biomass, geothermal, hydroelectric, solar photovoltaic, solar thermal, and wind systems (renewable energy property). The credit would equal 40 percent of the costs paid or incurred to place the renewable energy property into service, not to exceed $3 million for any individual piece of renewable energy property placed into service. The bill provides that credits in excess of $250,000 would be allowed in three equal taxable year installments. The amount of tax credits otherwise allowed would be proportionally reduced to reflect any public grants, bonds, or other public moneys used in funding the renewable energy property. The Department of Mines, Minerals and Energy would administer the tax credit program. The department would be authorized to issue up to $100 million in renewable energy property tax credits each fiscal year. The bill would allow the tax credits to be carried forward for five taxable years or to be transferred or assigned to other persons for use. *Villanueva*

SB 320: Local paper and plastic bag tax. Authorizes localities in Planning District 8 by ordinance to impose a tax on disposable paper bags and disposable plastic bags. Revenues from the local tax would be collected by the Tax Commissioner and distributed monthly to the county or city imposing the tax. The bill requires each county or city adopting an ordinance to impose the tax to provide a certified copy of the ordinance to the Tax Commissioner at least six months prior to the date the tax is to become effective. *Ebbin*

SB 512: Certified pollution control equipment and facilities; solar equipment. Adds solar equipment to the definition of certified pollution control equipment and facilities that are exempt from state and local taxation pursuant to Article X, Section 6 of the Constitution of Virginia. *Wagner*

SB 568: Land preservation tax credit; retention of qualified mineral interest. Disallows a tax credit for the donation of an interest in land, including the donation of a conservation easement, where the donor retains a qualified mineral interest as defined by IRS regulations. *Stuart*

Bills Carried Over

HB 910: Renewable energy property tax credits. Establishes beginning with taxable year 2014 tax credits for placing into service renewable energy property. The credit would equal 40 percent of the costs paid or incurred to place the renewable energy property into service, not to exceed $3 million for any individual piece of renewable energy property. The bill provides that credits in excess of $250,000 would be allowed in three equal taxable year installments. The amount of tax credits otherwise allowed would be proportionally reduced to reflect any public grants, bonds, or other public moneys used in funding the renewable energy property. The bill defines renewable energy as energy derived from sunlight, wind, falling water, biomass, waste, landfill gas, municipal solid waste, wave motion, tides, and geothermal power, but not including energy derived from coal, oil, natural gas, or nuclear power. The Department of Mines, Minerals and Energy would administer the tax credit program. The department would be authorized to issue up to $100 million in renewable energy property tax credits each fiscal year. The bill would allow the tax credits to be carried forward for five taxable years or to be transferred or assigned to other persons for use. *Villanueva*

Virginia Energy Plan

Bills Passed

HB 796/ SB 514: Virginia Energy Plan; schedule for updates. Postpones the due date for quadrennial updates to the Virginia Energy Plan from July 1 to October 1. *Lopez*

HB 1261/ SB 615: Virginia Energy Plan; carbon dioxide emission control impact; schedule. Requires the Virginia Energy Plan to include, with regard to any regulations proposed or promulgated by the U.S. Environmental Protection Agency to reduce carbon dioxide emissions from fossil fuel-fired electric generating units under Section 37 111(d) of the Clean Air Act, an analysis of the costs to and benefits for energy producers and electric utility customers; the effect on energy markets and reliability; and the commercial availability of technology required to comply with such regulations. The measure postpones the due date for quadrennial updates to the Virginia Energy Plan from July 1 to October 1. Interim updates on the plan are required to be provided by October 1 of the third year of each administration. The measure also requires the Division of Energy of the Department of Mines, Minerals and Energy, in Plan updates starting in 2014, to set forth energy policy positions relevant to any potential regulations of the State Air Pollution Control Board to reduce carbon dioxide emissions from fossil fuel-fired electric generating units under Section 111(d) of the Clean Air Act. The division is required to address policy options for establishing separate standards of performance for carbon dioxide emissions from existing fossil fuel-fired electric generating units to promote the plan's overall goal of fuel diversity. The plan is also required to (i) examine policy options for state regulatory action to adopt less stringent standards or longer compliance schedules than those provided for in applicable federal rules or guidelines and (ii) identify options, to the maximum extent permissible, for any federally required regulation of carbon dioxide emissions from existing fossil fuel-fired electric generating units. *Chafin*

SB 25: Offshore natural gas and oil royalties; establishment of Virginia Offshore Energy Emergency Response Fund. Establishes the Virginia Offshore Energy Emergency Response Fund and directs to it the first $50 million in royalties received by the commonwealth as the result of offshore natural gas and oil drilling and exploration. Additional revenues and royalties will be applied to maintain the Fund at $50 million if moneys are withdrawn from the fund. After the fund reaches $50 million, excess revenues and royalties will be transferred to the general fund annually. *Reeves*

SB 222: Solar panels in community associations. Clarifies a community association's authority to prohibit or restrict the installation of solar power devices. The measure bars a community association from prohibiting a property owner from installing a solar energy collection device on the owner's property unless the community association's recorded declaration establishes such a prohibition. *Petersen*

Bills Failed

HB 155: Interstate Offshore Energy Compact established. Creates the Interstate Offshore Energy Compact to secure the right of the member states to execute leases for the production and development of oil and natural gas resources three miles or more off the Atlantic shorelines of their respective states and to suspend the operation of any conflicting federal laws, rules, regulations, and orders within their states. The bill also creates the Interstate Offshore Energy Advisory Commission to study issues related to offshore energy development that are of particular concern and make nonbinding recommendations related to offshore energy policies to the member states for consideration by the legislatures of the member states. The bill provides

that the compact becomes effective within a member state upon adoption of the compact by at least two member states and consent of the United States Congress. *Marshall, R.G.*

HB 818: Virginia Commission on Energy and Environment. Establishes the Virginia Commission on Energy and Environment as a legislative commission to review and recommend steps to implement the Virginia Energy Plan. The commission is charged, among other things, with the power and duty to (i) undertake studies and gather information and data; (ii) make recommendations as may be necessary to accomplish its purposes as set forth in the legislation; (iii) make special studies of and reports on measures to secure Virginia's energy future; (iv) establish advisory committees composed of persons with special expertise not represented by individuals serving on the commission; (v) seek, accept, and expend gifts, grants, or donations to enable the commission to carry out its objectives; (vi) review and make recommendations on legislation affecting energy policy to the General Assembly; and (vii) report annually on its activities during the preceding year to the Governor and the General Assembly. *Lopez*

Waters of the State, Ports and Harbors

Bills Passed

HB 654: Wetland and stream mitigation banks; hydrologic unit boundaries. Allows the use of a hydrologic unit system or dataset other than the National Watershed Boundary Dataset and allows the adjustment of the hydrologic unit boundaries of such dataset based on the availability of more accurate information. *Scott*

HB 1173/ SB 423: Stormwater management programs; optional for some localities. Requires the Department of Environmental Quality to establish a Virginia Stormwater Management Program for any locality that neither opts to establish its own program nor operates a municipal separate storm sewer system. The bill defers the VSMP requirement for six months for certain recent MS4 localities. The bill alters the permitting appeals process and allows for an agreement in lieu of a stormwater management plan, and it directs the State Water Control Board to adopt regulations relating to the issuance of permits for parcels in subdivisions, the registration of single-family residences, and the reciprocity given by Virginia for proprietary Best Management Practices established elsewhere. The bill exempts single-family residences from payment of the department's portion of the fee for the state general permit. Finally, the bill provides that the consolidation of state post-construction requirements into Virginia's General Permit shall not modify the scope of enforcement of the federal Clean Water Act and exempts from most requirements of the Administrative Process Act those regulations of the State Water Control Board that will be necessary to implement the act. This bill incorporates HB 58, HB 649, and HB 261 and contains an emergency clause. *Hodges*

HB 1217: Chesapeake Bay Preservation Areas; documentation in lieu of proof of septic tank pump-out. Directs the State Water Control Board to adopt certain criteria for use by local governments in evaluating development in Chesapeake Bay Preservation Areas. The bill provides that any locality allowing owners of certain on-site sewage treatment systems to submit documentation in lieu of proof of septic tank pump-out shall require that such documentation be certified by a licensed or certified on-site sewage system operator or soil evaluator. *Morris*

Bills Failed

HB 58: Stormwater management programs; appeals. Clarifies the appeals process for persons subject to state permit requirements under the Stormwater Management Act. The bill removes Virginia Stormwater Management Program authorities from the list of bodies whose actions may be appealed. For appeals of actions of the Department of Environmental Quality or the State Water Control Board, the bill refers to applicable hearing procedures and provides that appeals include an opportunity with judicial review in accordance with certain standards. *Hodges*

HB 261: Stormwater management program; regulations; single-family residence. Authorizes the State Water Control Board to adopt regulations that create a procedure for approving permits for individual parcels in a common plan of development, provide a General Permit for Discharges of Stormwater from Construction Activities that omits unneeded information on post-construction water quality standards, and provide reciprocity with other states regarding certification of best management practices. The bill also allows the submission of an agreement in lieu of a permit where land-disturbing activity results from the construction of a single-family residence. *Scott*

HB 649: Stormwater management program; regulations; single-family residence. Allows the submission of an agreement in lieu of a Virginia Stormwater Management Plan where certain land-disturbing activity is the result of the construction of a single-family residence. *Ransone*

HB 673: Stormwater management permit fees; land-disturbing activities of one to five acres involving single-family residences. Directs the board to set the fee for coverage of one-acre to five-acre single-family residential projects under a General Permit for Discharges of Stormwater from Construction Activities at the amount charged for similar projects of less than one acre. *Poindexter*

HB 697/1071/1117/ SB 469: Local implementation of Stormwater Management Program. Delays the date that local governments will have to assume responsibility for administering the Stormwater Management Program from July 1, 2014, to July 1, 2015. *Poindexter*

HB 1168: Wetland and stream mitigation banks. Provides that state lands that are used to provide compensatory mitigation for wetland or stream impacts shall be used only for projects undertaken by a state agency, or a foundation related to a state institution of higher education, on land which the agency or foundation owns. *Fariss*

HB 1170: Stormwater management; separately built single-family residences. Expands the exemption from state stormwater permit requirements for certain separately built single-family residences by raising the area of disturbance for exempt projects from one acre to three acres. The bill does not alter the disturbance area for projects located in jurisdictions designated as subject to the Chesapeake Bay Preservation Area Designation and Management Regulations. *Rush*

SB 48: Drilling in the Eastern Virginia Groundwater Management Area. Allows the drilling for oil and gas in the Eastern Virginia Groundwater Management Area if certain Department of Environmental Quality standards for the protection of groundwater and surface water are met. The Department of Mining, Minerals and Energy is not authorized to issue a permit to drill in the Eastern Virginia Groundwater Management Area until DEQ has completed its review of (i) the current surface water and groundwater quality and quantity regulations in the management area and (ii) any amendments to the regulation that are necessary to protect groundwater and surface water. The DEQ review is to be completed by December 1, 2014. The State Water Control Board, as the policy board, is required to use its best efforts to adopt any changes in the regulations by July 1, 2016. The DEQ is also charged with reviewing any criteria and procedures for preparation and evaluation of the environmental impact assessments that the permit applicant is required to submit to DMME. The bill requires the assessment to include the impact of drilling, production, and transportation on surface and groundwater quality and supply. The DEQ shall use its best efforts to review and incorporate any changes to the assessment by October 1, 2015. *Stuart*

SB 425: Stormwater management programs; appeals. Clarifies the appeals process for persons subject to state permit requirements under the Stormwater Management Act. The bill removes Virginia Stormwater Management Program authorities from the list of bodies whose actions may be appealed. For appeals of actions of the Department of Environmental Quality or the State Water Control Board, the bill refers to applicable hearing procedures and provides that appeals include an opportunity with judicial review in accordance with certain standards. *Hanger*

SB 469: Stormwater Management Program; localities with minimal Chesapeake Bay watershed. Delays the date on which local governments are required to assume responsibility for administering the Stormwater Management Program from July 1, 2014, to July 1, 2015, in those localities in which less than 11 percent of the land area drains to the Chesapeake Bay. *Smith*

SB 671: Reporting of water usage. Requires electric generating stations seeking a Virginia Water Protection Permit to submit an estimate of the amount of water that will be withdrawn and consumed for the lifecycle of the fuel used by the proposed generating station. *Favola*

Bills Carried Over

HB 846: Virginia Stormwater Management Program; exemptions for certain localities. Exempts the Towns of Chincoteague, Saxis, and Tangier from compliance with the Virginia Stormwater Management Program. The bill exempts Chincoteague and Tangier Islands from any VSMP for land-disturbing activities adopted by Accomack County. *Lewis*

Study Resolutions

Bills Passed

HJ 16/ SJR 3: Study; recurrent flooding; report. Establishes an 11-member joint subcommittee to formulate recommendations for the development of a comprehensive and coordinated planning effort to address recurrent flooding. The joint subcommittee is charged with recommending short- and long-term strategies for minimizing the impact of recurrent flooding. The joint subcommittee must submit its report to the Governor and the 2016 Regular Session of the General Assembly. *Stolle*

HJ57/ SJR 35: Study; toxicity of selenium; report. Requests the Department of Environmental Quality to study the toxicity of selenium to aquatic life. This bill is identical to SJR 35. *Kilgore*

SJ 63: Study; preserving Virginia Bobwhite quail; report. Requests the Department of Game and Inland Fisheries to study ways to preserve the Virginia Bobwhite quail population. The department is requested to (i) develop strategies for preserving the Bobwhite quail population and (ii) determine the resources, financial and staffing, necessary to implement such strategies. *Hanger*

Bills Failed

HJ 29 Overpopulation of game animals; study; report. Requests the Department of Game and Inland Fisheries to study whether there is an overpopulation of wild animals in the commonwealth. If the department finds that overpopulation exists in a specific region or among particular species, the department is requested to develop strategies for controlling the overpopulation. *Marshall, D.W.*

HJ 76: Study; mandatory renewable energy portfolio standard program; report. Directs the Commission on Electric Utility Regulation to study the establishment of a mandatory renewable energy portfolio standard program for the commonwealth. The study will (i) address issues associated with transitioning from the existing voluntary renewable energy portfolio standard program to a mandatory program, (ii) determine the costs and benefits that would be associated with requiring electric utilities to meet varying levels of renewable energy portfolio standard goals, (iii) recommend measures to address electric utilities that do not meet the program's goals, and (iv) determine if it is feasible and advisable to require that all electric

utilities in Virginia participate in a mandatory renewable energy portfolio standard program. *Herring*

HJ 118: Study; dam safety regulations; report. Requests the Department of Conservation and Recreation to study changes to Virginia's Impounding Structure Regulations that may result in cost savings to owners of dams without jeopardizing public safety. *Austin*

SR 47: Study; distributed solar generation and net metering; report. Requests the Department of Environmental Quality and the Department of Mines, Minerals and Energy to jointly convene a stakeholder group to study the costs and benefits of distributed solar generation and net metering. The stakeholder group shall include representatives from public utilities, the solar industry, local governments, environmental advocacy groups, and academic institutions. The stakeholder group shall examine data relevant to determining the costs and benefits of interconnected distributed solar generation, recommend a method for evaluating such data, and consider other issues as it may deem appropriate. *Edwards*