

HOUSE JOINT RESOLUTION NO. 621

Directing the Joint Legislative Audit and Review Commission to study the competitiveness, efficiency, and governance structure of the Port of Virginia. Report.

Agreed to by the House of Delegates, February 4, 2013

Agreed to by the Senate, February 19, 2013

WHEREAS, the Port of Virginia is a cornerstone of the Virginia economy and one of the Commonwealth's most valuable and important state assets; and

WHEREAS, the Port of Virginia is responsible for 343,000 port and port-related jobs, \$41 billion in annual economic impact, \$13.5 billion in annual employee compensation, and \$1.2 billion in annual state and local taxes; and

WHEREAS, the Port of Virginia is governed by the Virginia Port Authority and is operated by Virginia International Terminals, an operating arm of the Virginia Port Authority created in 1982; and

WHEREAS, the Port of Virginia receives nongeneral funds through the Commonwealth Port Fund to fund capital improvements; and

WHEREAS, the Commonwealth of Virginia has a substantial investment in the Port of Virginia and is dependent on its continued economic success; therefore, an independent review of the Port of Virginia is in the best interests of the Commonwealth and the citizens of Virginia; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission (JLARC) be directed to study the competitiveness, efficiency, and governance structure of the Port of Virginia.

In conducting its study, JLARC shall evaluate (i) the current competitive position of the Port of Virginia to include: identification of competitor ports comparative analysis of these ports with the Port of Virginia, including incentive structures, port economic development strategies and programs, unique regional market conditions, analysis of the competitive strengths and weaknesses of the Port of Virginia, and identification of ways to improve the Port of Virginia's competitive position; (ii) the efficiency of the Port of Virginia to include: evaluation of the Port of Virginia's operational efficiency using industry metrics, determining port customer opinions on operational efficiency, and identification of areas for potential improvement; and (iii) the governance model of the Port of Virginia to include: the history and purpose of the Virginia Port Authority and Virginia International Terminals, the history and purpose of the Commonwealth Port Fund, identification of other governance models used domestically and globally in port management, identification and evaluation of the missions and governance models used at competitor ports, identification and evaluation of state and local funding sources for capital improvements and operations at competitor ports, evaluation of the division of management and operational responsibilities between the Virginia Port Authority and Virginia International Terminals and identification of areas of unnecessary duplication, and identification of changes or improvements to the current governing model.

Technical assistance shall be provided to JLARC by the Secretary of Transportation, the Office of Transportation Public-Private Partnerships, the Virginia Port Authority, Virginia International Terminals, and the Virginia Maritime Association. All agencies of the Commonwealth shall provide assistance to JLARC for this study, upon request.

JLARC shall complete the study by November 30, 2013, and shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2014 Regular Session of the General Assembly. The executive summary shall state whether JLARC intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.