



Virginia General Assembly End of Session Report April 12, 2023

The 2023 Virginia General Assembly session concluded on February 25. The budget is still pending a conference committee. All items of legislation aside from the budget that passed the crossover period have either been voted on or have been tabled. The Governor had until 11:59 p.m. on March 27 to sign or veto all legislation. A session to consider vetoed legislation was held April 12.

The Chamber's policy priorities end in a positive position with the General Assembly. Here is a summary of the Chamber's priority legislation and the results at the end of the General Assembly session.

Transportation Funding

For years, the Chamber has advocated for greater transportation funding for the Commonwealth for projects that would benefit Arlington and the regional economy. Thus, the Chamber is a strong supporter of Delegate Adams' [HB2302](#) and Senator Newman's [SB1106](#), which would create a new Transportation Project Fund for projects that were directly tied to economic development projects. This bill would allocate \$100 million out of the biennial budget over three years to create a Fund of \$300 million. The bills passed both chambers. However, there were substitutes on the budgetary details of the Fund that passed one chamber and not the other. Therefore, a conference committee was called as part of the budget conference, where budgetary details will be ironed out. The Governor has signed the bill, and the final details of the appropriation will be approved once the budget amendment is finalized.

Workforce Development

The Chamber strongly supports Delegate Byron's [HB2195](#) and Senator Ruff's [SB1470](#), which would create a Consolidated Department of Workforce Development that would serve as the sole administrator and fiscal agent for all workforce development programs within the Commonwealth. We are part of a broad coalition of chambers and other business organizations in support of the legislation and signed on to a coalition letter. Chamber staff gave testimony and emailed members of the relevant Committees as the legislation moved through the legislative process. The bills passed both chamber of the General Assembly, and have been signed by the Governor.

Promoting Flexibility in Hiring and Tax Filing for Businesses

Delegate Bennett-Parker's [HB1730](#) would provide restaurant owners with the additional flexibility of hiring front of house staff even if the staff had previously committed a felony and served time. In the wake of a major workforce shortage, the Chamber supported this bill as a means to help restaurants in hiring, as well as opening the workforce to those who have paid

their debt to society. The bill initially died in subcommittee, but upon amendments to the proposed regulations it passed committee. It was passed by both chambers. The Governor submitted a recommendation to make one edit to the bill, which was adopted by the General Assembly and then signed by the Governor.

Delegate McNamara's [HB1405](#) and Senator Surovell's [SB796](#) would greatly simplify the corporate income tax filing process for Virginia corporations. Currently corporations choose to pay corporate income tax filings via the separate or the consolidated methods. After 12 year period corporations may choose to pay through the same method or the alternative for another 12 years, provided they meet certain criteria. This legislation would simplify significantly the criteria needed to switch methods of filing taxes. As corporations grow one method can be advantageous than another, and this legislation allows for flexibility. The Chamber signed onto a coalition letter of support for these bills. The bills have passed both chambers of the General Assembly, and were signed by the Governor March 26.

Greater Flexibility in Online and Hybrid Meetings

The Chamber supported two bills that would expand the flexibility of government bodies to host online and hybrid-format public meetings. The first was Delegate Bennett-Parker's [HB2050](#) and Senator Marsden's [SB1351](#), which would allow local public elected and appointed bodies to convene as frequently online or in a hybrid format as they so choose. Currently, such bodies are limited to a specific number of online meetings. The House bill died in subcommittee, and the Senate bill had been tabled in the House General Laws Committee.

The Chamber additionally supported Delegate Sewell's [HB2034](#), which would require the National Capital Region Transportation Planning Board to record its meetings and allow for online engagement as a means to ensure more people can access their Board meetings. This bill passed both chambers, and was signed by Governor Youngkin on March 23.

Preventing Frivolous Litigation and Higher Health Care Costs

The Chamber was part of a coalition of business organizations who are opposed to Delegate Freitas' [HB2427](#) and Delegate Hodges' [HD2435](#). These pieces of legislations are intended to permit greater transparency of hospital prices, but as written would create a duplicative regulatory structure on top of existing rules for hospitals. It would also open hospitals up to potentially frivolous litigation based on a vague definition of "material compliance" to regulations. The Chamber doesn't find the additional regulations and additional litigation liability to be beneficial to hospitals, patients or the health care system. The Chamber signed onto a coalition letter of opposition and contacted Delegates to urge them to oppose the final passage of the bills. Both bills were defeated in their House floor votes.