



## **2026 General Assembly Session Report January 28, 2026**

The 2026 Virginia General Assembly session began on Wednesday, January 14. This is a 60-day session and includes consideration of a biennial state budget. The Chamber's policy priorities are in a positive position in the General Assembly as of Wednesday, January 28.

### **Government and Business Climate**

The Chamber advocates for policies that help facilitate a strong partnership between government and the business community, with a disposition toward leading with "yes."

The Chamber supports H.B. 1118 (Nivar), requiring the Department of Small Business and Supplier Diversity to convene a working group to modernize the Commonwealth's existing one-stop small business permitting system. This modernization is intended to streamline the Commonwealth's permitting system, which would benefit small businesses across Virginia.  
*Status: Referred to the House Rules Committee.*

The Chamber is opposing H.B. 338 (Lopez), which would allow localities to institute new mandates for the retention of building service contract staff in that locality. This would allow localities to limit employers' abilities to choose their employees upon beginning new contracts for building services.  
*Status: Referred to the House Labor & Commerce Committee, Subcommittee #2.*

### **Economic Development**

In response to specific feedback from local businesses, the Arlington Chamber partnered with Senator Adam Ebbin to introduce S.B. 318, legislation that would provide localities with an option to give preference to Virginia businesses and local businesses in the procurement process. This bill was substituted with a version that would give localities permission to grant a price matching option for local businesses, which is a narrower competitive advantage in the process.  
*Status: Passed the Senate by a vote of 39-0 on January 27.*

Along with a broad coalition of business organization, the Chamber strongly opposes S.B. 32 (Carroll Foy), which would repeal the Commonwealth's right-to-work law. The Chamber is a strong proponent of preserving our right-to-work law, a key factor that has made the Commonwealth one of the top destinations for businesses and job creators in the United States.  
*Status: Referred to the Senate Commerce and Labor Committee.*

## **Housing Affordability and Workforce Housing**

The Arlington Chamber has actively engaged in housing policy during this General Assembly session. The Chamber has been supporting bills that grow and maintain a diverse housing stock for Virginians and opposing legislation that would hinder growth of our housing supply.

The Chamber supports S.B. 367 (Carroll Foy)/S.B. 388 (McPike)/H.B. 1279 (J.G. Cole), known as "Faith and Housing." This legislation would ensure that faith institutions and certain property tax-exempt nonprofits have the ability to build housing on land that they own, without onerous restrictions. This would allow these organizations to utilize their own land and increase the housing supply.

*Status: S.B. 367 referred to the Senate Local Government Committee. S.B. 388 referred to the Senate Local Government Committee. H.B. 1279 referred to the House Counties, Cities and Towns Committee, Subcommittee #2.*

The Chamber supports S.B. 531 (Srinivasan)/H.B. 611 (Cohen), which would legalize accessory dwelling units (ADUs) in residentially zoned single-family districts.

*Status: S.B. 531 referred to the Senate Local Government Committee. H.B. 611 referred to the House Counties, Cities and Towns Committee, Subcommittee #3.*

The Chamber additionally supports S.B. 629 (Srinivasan)/H.B. 183 (Reid), which amends the First-Time Home Buyer Savings Plan Act to increase the aggregate amount of principal that can be contributed, and include townhouses in the definitions of single-family residences.

*Status: S.B. 629 is on the January 28 docket in the Senate General Laws Committee, Housing Subcommittee. H.B. 183 was reported from the House Appropriations Committee, Commerce Agriculture & Natural Resources Subcommittee on January 21.*

The Chamber opposes S.B. 355 (Boysko)/H.B. 278 (Clark), which would allow localities to have the power to implement rent control policies. The Chamber is concerned that any rent control policies will drastically reduce incentives to construct new housing units in the Commonwealth. H.B. 278 was continued to next session via a subcommittee vote in the House Counties, Cities and Towns Committee, removing it as a live piece of legislation.

*Status: S.B. 355 referred to the Senate Local Government Committee. H.B. 278 continued to next session via voice vote in the House Counties, Cities and Towns Subcommittee #3 meeting on January 23.*

The Chamber opposes S.B. 296 (Favola)/H.B. 922 (Lopez), which would grant considerable local authority to Arlington County to amend its affordable housing ordinance. The Chamber opposes the General Assembly granting Arlington this broad authority before first convening a stakeholder group and developing a specific policy proposal adjusting Commonwealth law concerning affordable housing contribution requirements.

*Status: S.B. 296 referred to the Senate Local Government Committee. H.B. 922 referred to the House Counties, Cities and Towns Committee.*

## **Taxes and Fiscal Policy**

The Chamber supports a rational balance of the tax burden among businesses, residents, and users of services that provide for a cohesive, thriving community.

The Chamber supported H.B. 956 (Watts), clarifying language in the Virginia tax code concerning Business, Professional, and Occupational Licensing (BPOL) taxes and adjusting deductions for out-of-state receipts. However, this bill failed to be reported by the subcommittee. *Status: Failed to report from the House Finance Committee, Subcommittee #2, by a vote of 4-6.*

The Chamber opposes S.B. 66 (McPike)/H.B. 334 (Rasoul)/H.B. 1156 (Hodges), which would grant localities in the Commonwealth authority to levy an additional sales tax on their residents. *Status: S.B. 66 referred to the Senate Finance & Appropriations Committee. H.B. 334 passed the House of Delegates by a vote of 70-28. H.B. 1156 referred to the House Finance Committee.*

## **Education and Workforce Development**

The Chamber encourages the Commonwealth to promote child care as essential to Virginia's modern economy and quality of life. Thus far, child care policy has been the core workforce development focus of the Arlington Chamber during this session.

The Chamber is strongly supporting S.B. 3 (Aird)/S.B. 119 (Carroll Foy)/H.B. 18 (McClure), the Employee Child Care Assistance Program. This legislation would establish the Assistance Program, administered by the Virginia Early Childhood Foundation, to provide matching funds in order to encourage employers to contribute to the child care costs of their employees through an eligible mixed-delivery provider.

*Status: S.B. 3 referred to the Senate Finance & Appropriations Committee. S.B. 119 referred to the Senate Education & Health Committee, Public Education Subcommittee. H.B. 18 referred to the House Appropriations Committee, Elementary & Secondary Education Subcommittee.*

Additionally, the Chamber supports S.B. 20 (Locke), which would amend the income-based eligibility for the Commonwealth's child care subsidy program to ensure that families do not immediately lose subsidy eligibility if their income increases slightly above the threshold.

*Status: Reported from the Senate Education & Health Committee and re-referred to the Senate Finance & Appropriations Committee on January 22.*

The Chamber supports S.B. 134 (Locke)/H.B. 1208 (Sewell), which would require the Department of Education to develop and maintain a calculation of costs for the provision of early childhood education and care, to better guide future funding by the Commonwealth.

*Status: S.B. 134 reported from the Senate Education & Health Committee and re-referred to the Senate Finance & Appropriations Committee on January 22. H.B. 1208 referred to the House Education Committee.*

The Chamber supports H.B. 403 (Reid), which would institute a tax credit program for five years for child care expenses paid by qualified Virginia taxpayers, as well as for employers who have qualified child care expenditures.

*Status: Referred to the House Finance Committee.*

Lastly, the Chamber supports H.B. 259 (Simonds), which would appropriate funds for a pilot grant program for starting up a home-based child care provider.

*Status: Referred to the House Appropriations Committee, Elementary & Secondary Education Subcommittee.*

### **Hospitality and Tourism**

The Chamber supports efforts that promote travel to Arlington and advances the goals of Arlington's hotel and hospitality sector. The Chamber supports S.B. 314 (Ebbin)/H.B. 524 (McClure), which is enabling legislation that provides Arlington County, and its hospitality sector, with additional options for increasing destination marketing funding. This bill includes an option to establish a tourism improvement district (TID), as well as an option to increase the transient occupancy tax by one quarter of one percent.

*Status: S.B. 314 was reported from the Senate Local Government Committee on January 26 and re-referred to the Senate Finance & Appropriations Committee. H.B. 524 referred to the House Counties, Cities and Towns Committee.*