

Virginia General Assembly Session Report February 28, 2024

The 2024 Virginia General Assembly session began on January 10. The only bills that are being considered are those that passed their chamber of origin by the crossover deadline of February 13. Unless extended, the General Assembly is currently scheduled to adjourn sine die on Saturday, March 9. The deadline for bills to pass out of committee is Monday, March 4, and we expect heavy committee dockets this week as legislators work to move all bills to the floor.

The Chamber's policy priorities are in a positive position with roughly two weeks before adjournment of session. Here is a summary of the Chamber's priority legislation and the results.

Government and Business Climate

The Chamber opposes <u>H.B. 951</u> (Lopez)/<u>S.B. 247</u> (McPike), which would allow localities to institute new mandates for the retention of building service contract staff of buildings in that locality. This would allow localities to create unreasonable restrictions on building service employers, and limit employers' abilities to choose their employees upon beginning new contracts for building services. H.B. 951 passed the House by a vote of 51-48 on February 13, and is currently in the Senate Local Government Committee. The Chamber expects that H.B. 951's fate will be similar to that of S.B. 247, which was continued to the 2025 General Assembly session for further consideration by the Senate Finance and Appropriations Committee last week.

Additionally, the Chamber supports <u>H.B. 894</u> (Bennett-Parker), which would amend the Virginia Freedom of Information Act to permit public bodies to have greater flexibility to hold virtual public meetings. This bill passed the House on January 31 by a vote of 74-26 and passed the Senate on February 19 by a vote of 32-7. An identical bill, <u>S.B. 734</u> (Marsden), passed the Senate on February 6 and passed the House on February 20.

Economic Development

The Chamber supports <u>H.B. 1125</u> (Carr)/<u>S.B. 217</u> (Locke), the Virginia Business Ready Expedited Permitting Act. The Act would permit the Department of Economic Development to select up to ten economic development sites or projects and allocate resources to expedite all local permitting needed to achieve those projects. H.B. 1125 passed the House by a 94-5 vote on February 13, and is under consideration by the Senate Finance & Appropriations. S.B. 217 passed the Senate unanimously on February 13, and passed the House by a vote of 93-5 on February 23.

The Chamber supports <u>H.B. 1514</u> (Torian)/<u>S.B. 718</u> (Surovell), which would establish the Virginia Sports and Entertainment Authority and Financing Fund. This Authority would be empowered to issue bonds, backed by Virginia's AAA credit rating, for the purpose of raising funds for the proposed Potomac Yards entertainment district. The Chamber supports the

entertainment district as a significant opportunity for economic growth in Northern Virginia, right at Arlington's doorstep. S.B. 718 was not included on the final Senate Finance and Appropriations docket on February 12, and the bill was thus not brought before the Senate for a vote. A substituted version of H.B. 1514, including a reenactment clause for the 2025 session and an Arlington seat on the Authority Board, passed the House by 59-40 vote on February 13. H.B. 1514 is to be heard by Senate Finance and Appropriations and has not yet been included on the docket. Additionally, the Sports Authority can be created and authorized via the budget, and it was included in the House Appropriations Committee budget. This will be a priority issue among the Budget Conference Committee, which is composed of both Delegates and Senators who work to resolve differences between the House and Senate budgets.

Housing Affordability and Workforce Housing

The Chamber supports <u>H.B. 1124</u> (Carr)/<u>S.B. 233</u> (Hashmi), the Faith in Housing for the Commonwealth Act. The Act would have removed regulatory red tape that pertains to houses of worship who currently own land and wish to develop affordable housing on their property. The Chamber supports removing restrictions on houses of worship for creating housing in their communities if they choose to do so. Both bills were continued by respective committees, to be considered again during the 2025 General Assembly session.

The Chamber opposes legislation that would create rent control policies that would harm the rental housing market and discourage much-needed investment in rental housing. <u>H.B. 721</u> (Clark)/<u>S.B. 366</u> (Boysko) would have allowed localities to adopt provisions intended to mitigate "rent price gouging," but would have implemented rent control measures. <u>H.B. 733</u> (Sewell), concerning landlord and tenant regulations, would have also created similar policies if implemented. The Civil Subcommittee of the House Courts of Justice Committee voted to continue H.B. 721 to the 2025 session on February 7. S.B. 366 was defeated in a committee meeting of Senate General Laws on February 7. H.B. 733 was struck from the committee docket on February 6.

Land Use, Zoning and Planning

The Chamber supports <u>S.B. 13</u> (Favola)/<u>H.B. 281</u> (Reaser), which would remove regulatory red tape to allow office buildings to include child care facilities. These bills would encourage employers and commercial real estate owners to permit much-need child care facilities, benefiting their employees and reducing vacancy rates. S.B. 13 passed the Senate unanimously on January 25 and was reported from the House Education Committee on February 26. H.B. 281 passed in block vote on the House Floor on January 31, and passed the Senate unanimously on February 21.

Transportation

The Chamber supports <u>S.J. 28</u> (Ebbin), which would commence a JLARC study to investigate the best policy solution possible to create dedicated funding for WMATA and Metrorail. The Chamber has been active in the past year in working with other business groups and valued business and government stakeholders to develop a long-term solution to WMATA funding. S.J. 28 was passed by the Senate on January 31, and was referred to the House Appropriations Committee on February 23.

Business and Community Infrastructure

The Chamber opposes <u>S.B. 14</u> (McPike)/<u>H.B. 458</u> (Callsen), legislation that would permit localities to levy a new sales or use tax for further school construction. S.B. 14 passed the Senate on January 30 by a vote of 27-13 and passed the House on February 26 by a vote of 68-28. H.B. 458 was merged, along with other similar legislation, into <u>H.B. 805</u> (Rasoul), which would permit all Virginia localities to levy such a tax. H.B. 805 passed the House on February 13 by a vote of 69-28, and passed the Senate on February 23 by a vote of 27-12.

Additionally, the Chamber opposes both <u>H.B. 959</u> (Lopez) and <u>H.B. 1287</u> (McClure), legislation that are focused on towing regulations. H.B. 959 would allow localities in Planning Districts 8 and 16 to enact second signature requirements for businesses to have illegally parked vehicles towed from their property. H.B. 1287 would enact requirements for towing companies operating solely within counties to be subject to new permit requirements. The Chamber considers both bills to be legislation creating unproductive restrictions and regulations on businesses. The House of Delegates voted to adopt both bills on February 12. Both bills were reported out of the Senate Transportation Committee on February 22 and were referred to Senate Finance and Appropriations.

Energy and Environment

The Chamber opposed <u>H.B. 28</u> (Jones), legislation that would have instituted a full moratorium on all fossil fuel projects in the Commonwealth. This legislation went against the Chamber's policy position of urging availability to consumers of a diverse range of energy choices. The Senate Committee on Rules laid the bill on the table on January 29.

Taxes and Fiscal Policy

The Chamber supports <u>S.B. 556</u> (Williams Graves), a bill that would expand the tax credit for buildings and areas under historic preservation. The Commonwealth of Virginia has many valuable historic properties that are part of our community as well as being major drivers of tourism. This bill would facilitate investment in these iconic landmarks. S.B. 556 passed the Senate unanimously on February 12, and is expected to be vote on by the House on February 28.

Education and Workforce Development

Child care policies are a major workforce priority for the Arlington Chamber. In addition to S.B. 13/H.B. 281, the Chamber supports <u>H.B. 1216</u> (McClure), which incentivizes employers to invest in their employees' child care by providing employers with matching funds from the Commonwealth. We support such policies that incentivize businesses to invest in their workforce's needs. H.B. 1216 passed the House on February 6 by a vote of 87-8, and will be considered by the Senate Finance and Appropriations Committee on February 27.

Regarding secondary education, the Chamber supports <u>H.B. 1009</u> (Lovejoy)/<u>S.B. 199</u> (Diggs), which would require the Board of Education to create a list of workforce credentials that students may pursue while counting towards credits needed for a high school diploma. This legislation would broaden the scope of how students can prepare in their high school education for any type of career that they plan to pursue. S.B. 199 passed the Senate on February 6 with a vote of 39-0, and was reported out of the House Education Committee on February 26. H.B. 1009 was incorporated into a similar bill, <u>H.B. 1345</u> (Anthony), which was passed by the House unanimously on February 13, and is under consideration by the Senate Education Committee.

Additionally, the Chamber supports <u>H.B. 825</u> (Cousins)/<u>S.B. 609</u> (Aird), bills which would establish an at-risk add-on funding program; and <u>H.B. 1247</u>, a bill which would change the ratios of support funding for school districts to support teachers of English language learners. The Chamber has supported these policies in previous responses to Arlington County School Board policy priorities. H.B. 825 and H.B. 1247 both passed the House by votes of 55-44 and 58-41, respectively, on February 13, and are both in the Senate Public Education subcommittee. S.B. 609 was merged with another bill, <u>S.B. 105</u> (Lucas), which passed the Senate unanimously on February 13 and passed the House unanimously on February 26.

Hospitality and Tourism

The Chamber supports <u>H.B. 688</u> (Leftwich)/<u>S.B. 635</u> (Rouse), which removes the sunset on the permission of restaurants serving cocktails to-go. This was a policy supported by our restaurants, who have found takeout cocktails to be a significant opportunity for sales. S.B. 635 passed the Senate on January 31 unanimously and passed the House by a vote of 82-16 on February 20. H.B. 688 passed the House by a vote of 81-18 on January 31, and passed the Senate unanimously on February 20.

As always, the Arlington Chamber welcomes member feedback. Please contact John Musso at advocacy@arlingtonchamber.org with any questions.