

2024 GENERAL ASSEMBLY SESSION

WEEK #9 SESSION REPORT

March 11, 2024

Prepared for:



GENERAL ASSEMBLY SESSION CONCLUDES

The 2024 General Assembly session adjourned "Sine Die," on Saturday, March 9, 2024. This year, 3,594 bills and resolutions were introduced and considered. Of these, 2,188 were passed by the House and 1,915 were passed by the Senate. The legislature chose not to advance 911 bills and continued 405 to the 2025 session.

The General Assembly sent 84 pieces of legislation to the Governor that required action by Friday, March 8, 2024. The seven-day deadline is triggered when bills are communicated to the Governor before the final week of the legislative session. Of these, the Governor signed 64 bills into law, amended 12 bills, and vetoed eight.

The legislative tracker has been updated to reflect all action taken by the legislature to date. To view the tracker, please click below.



BUDGET CONFERENCE REPORT ADOPTED BY THE GENERAL ASSEMBLY

Budget Conferees reached consensus on the budget on Thursday, March 7, 2024. On Saturday, March 9, 2024, the Senate adopted the budget by a <u>24-14</u> vote, and the House adopted the budget by a <u>62-37</u> vote. The budget will now be considered by the Governor. His options are to sign the budget bill as is, amend it or veto it. He also has the authority to make line-item vetoes. To view the conference report approved by the General Assembly, click here.

Please see below for some legislative updates from the past week.

BILLS TO IMPROVE LITERACY ADVANCE

On Friday, March 8, 2024, Governor Glenn Youngkin signed <u>HB 647</u> (Coyner) and <u>SB 624</u> (Lucas), which clarify several provisions of the Virginia Literacy Act. This legislation also:

- Clarifies that the term "evidence-based literacy instruction" does not include practices that
 instruct students to gain meaning from print with three-cueing, which includes semantic,
 syntactic, and graphophonic cues; meaning, structure, and visual cues; or (visual memory for word
 recognition);
- Removes the option to use a literacy screener approved by DOE;
- Requires DOE to develop a list of core literacy curricula for students in kindergarten through grade
 five and supplemental instruction practices and programs and intervention programs for students
 in kindergarten through grade eight that consist of evidence-based literacy instruction aligned
 with science-based reading research; and
- Requires each division literacy plan to address how the local school board will align core reading
 and literacy curriculum for students in kindergarten through grade five and screening,
 supplemental instruction, and interventions for students in kindergarten through grade eight with

evidence-based literacy instruction practices aligned with science-based reading research.

This legislation will go into effect on July 1, 2024.

<u>HB 624</u> (Rasoul) seeks to place parameters on the Standards of Quality funding calculations performed by the Department of Education, including:

- Requiring the Department of Education (DOE) to include facilities staff and transportation staff
 salaries in the calculation of any cost of competing adjustment to salaries for instructional and
 support positions that is provided as part of the state share of basic aid;
- Requiring DOE to include an estimate of the cost of such a compensation supplement for facilities staff;
- Prohibiting DOE from applying any cap on inflation rate adjustments to non-personal cost categories during the biennial process of rebenchmarking the direct aid to public education budget; and
- Requiring DOE to utilize a three-year average of the most recently available data to calculate the composite index of local ability-to-pay for each school division.

This past Friday, HB 624 was passed in the House by a vote of 82-14 and passed in the Senate by a vote of 39-1.

CONSENSUS REACHED TO EXPAND VIRGINIA'S HISTORIC REHABILITATION TAX CREDIT PROGRAM

The Greater Williamsburg Chamber joined other chambers, business and environmental organizations, and localities to support expansion of the Virginia Historic Rehabilitation Tax Credit Program, which has played an essential role in preserving more than 2,500 historic properties and economic sustainability of communities in the Commonwealth for 27 years.

The conference committee reached agreement on <u>HB 960</u> (Lopez)/<u>SB 556</u> (Williams Graves) this past Wednesday, which includes the following:

- Increases the maximum amount an individual taxpayer may claim per year from \$5 million to \$7.5 million.
- Maintains the program with NO aggregate or program cap.
- Goes into effective on the tax year beginning January 1, 2025.

While there was an effort to change the effective date to January 1, 2024, the money committee staff had included the funding for this program in FY26 of the budget, so there was no way to change the effective date without impacting the budget.

The conference committee's substitute was accepted by the House on Wednesday by a vote of 80-18, and was accepted by the Senate on Thursday by a 39-1 vote.

BUSINESS READY SITES LEGISLATION APPROVED

As previously reported, <u>HB 1125</u> (Carr) and <u>SB 217</u> (Locke) seek to establish the Virginia Business Ready Expedited Permitting Program and direct the Virginia Economic Development Partnership Authority to designate a certain number of sites and projects for participation in the program.

The House version of the bill:

- Designates up to two sites and six projects for participation in the program,
- Allows no more than two sites may be designated within one locality per year, and
- Requires the review process to be completed within 45 days of designating a site.

The Senate version of the bill:

- Designates up to two sites and four projects for participation in the program,
- Allows no more than one site within any locality annually, and
- Requires the review process to be completed within 60 days of designating a site.

Given the differences between the House and Senate versions of the bill, a committee of conference was assigned. Last week, the conferees recommended that the legislation designate up to four projects for participation in the program. This recommendation was agreed to by the House on Thursday by a vote of 91-6 and was agreed to by the Senate on Friday by a vote of 39-1.

RECYCLING LEGISLATION DEFEATED IN THE BUDGET

As mentioned in previous reports, the Greater Williamsburg Chamber joined the Coalition for Consumer Choices, a coalition that focuses on successful recycling of plastics and opposes bans of necessary or convenient consumer products needed for our strong economy.

As a member of the Coalition, the Chamber supported <u>HB 316</u> (Bulova), which sought to create the Virginia Recycling Development Center to further the development of markets and processing for recycled commodities and products. This bill also sought to create the Recycling Market Development Fund to be used to fund the Center.

Unfortunately, the General Assembly's approved budget did not include funding to create the Recycling Center. Given the program was unfunded, the bill failed to advance.

LEGISLATION TO ENCOURAGE K-12 STUDENTS TO OBTAIN CAREER AND TECHNICAL EDUCATION CREDENTIALS ADVANCES

This session, the Chamber supported a number of bills related to career and technical education. Among these bills, <u>HB 1345</u> (Anthony) seeks to require the Virginia Community College System, Career and Technical Education directors, and industry partners to develop and maintain a current, comprehensive, and uniform list of industry-recognized workforce credentials students may take as a substitute for certain credits. The bill also states that credential courses that are approved must be completed outside of regular school hours.

This legislation passed unanimously in both the House and the Senate earlier this past week and will head to the Governor for his consideration.

BILLS TO INCREASE AFFORDABLE HOUSING OPTIONS MEET MIXED FATES

Bills related to affordable housing were another area of focus during the 2024 legislative session.

As previously reported, <u>HB 1105</u> (Carr), as introduced, sought to create a grant program for localities to create and maintain affordable housing in mixed-income communities.

Last week, the Senate passed this piece of legislation with a substitute that converted the bill to a study. In the substitute, it would have directed the Department of Housing and Community Development to convene a workgroup to evaluate zoning laws and by-right development, with the report of the workgroup to be submitted by December 1, 2024.

When the amended version of the bill was considered by the House, the substitute was rejected and the bill failed to advance.

Action was also taken last week on <u>HB 1398</u> (Bennett-Parker), which seeks to create a framework for localities to preserve affordable housing by exercising a right of first refusal on publicly supported housing. The bill also authorizes localities to implement an ordinance to require an owner to accept a right of first refusal offer by the locality to preserve affordable housing for a period of not less than 15 years. This bill was passed in the House several weeks ago, and passed in the Senate this past Tuesday by a vote of <u>21-19</u>.

Other highlights from week #9 are provided below.

GOVERNOR GLENN YOUNGKIN RELEASES STATEMENT ON SINE DIE

(March 9, 2024) Governor Glenn Youngkin today released the following statement on sine die of the 2024 General Assembly legislative session:

"Thank you to all 140 legislators that made the huge commitment, sacrificing time away from their families, their careers and their livelihoods, to serve the Commonwealth and all Virginians," said Governor Glenn Youngkin. "The General Assembly sent me more than a thousand bills plus backward budgets that need a lot of work. We're going to have a busy 30 days going into the reconvene session. Nonetheless, I'm grateful for the tremendous commitment and sacrifice that our General Assembly and their staffs have made on behalf of the Commonwealth."

GOVERNOR GLENN YOUNGKIN TAKES ACTION ON 84 BILLS

(March 8, 2024) Governor Glenn Youngkin took final action on 84 pieces of legislation, signing 64 bills into law, amending 12 bills and vetoing 8 bills.

"Today, I am pleased to sign more than 60 bills into law with bipartisan support, a clear demonstration of what can be achieved when we set politics aside and work together for Virginians. These bills cover a wide range of topic areas but demonstrate my continuing commitment to lowering the cost of living for Virginians, streamlining regulations, supporting our veterans, ensuring safe communities, and improving government efficiency. In addition, I have returned several bills to the General Assembly with amendments, hopeful that they will be reviewed with serious consideration," said Governor Glenn Youngkin.

The full list of signed bills is available here.

HB 48; HB 57; HB 115; HB 120; HB 136; HB 171; HB 174; HB 194; HB 287; HB 291; HB 292; HB 294; HB 312; HB 352; HB 383; HB 428; HB 432; HB 444; HB 477; HB 517; HB 647; HB 649; HB 701; HB 728; HB 729; HB 739; HB 784; HB 836; HB 843; HB 876; HB 880; HB 894; HB 901; HB 934; HB 1044; HB 1113; HB 1317; HB 1333; HB 1336; HB 1412.

SB 19; SB 22; SB 25; SB 46; SB 50; SB 74; SB 89; SB 90; SB 132; SB 159; SB 173; SB 182; SB 184; SB 365; SB 372; SB 379; SB 443; SB 613; SB 616; SB 618; SB 624; SB 674; SB 677.

Governor Glenn Youngkin amended several bills to ensure the final version signed into law is in its best form.

The Governor amended 12 bills, including:

- HB 214, Common interest communities; residents providing certain services exemption: Amended to include a reenactment clause. The Virginia Employment Commission and Department of Taxation need additional time to ensure that this bill does not pose issues with the federal Internal Revenue Code or worker classification statutes.
- SB 35, Renewal of licensure; Boards of Medicine & Nursing to require Bd. of Nursing, etc., cont. ed. Reqd: Amended to apply to individuals engaged in healthcare related to pregnancy who follow two-year licensure cycles, who will be required to undergo training on maternal healthcare specifically focusing on women who experience significantly higher maternal mortality rates, including African American, Indigenous, and Hispanic women as well as women in underserved communities, as part of their upcoming license renewal period.
- HB 738, Space Force; extension of certain benefits and privileges for persons serving in Armed Forces: Technical amendments to extend additional benefits and privileges to members of the Space Force.
- HB 438, Written complaints; felony offenses to be provided: Technical amendments to clarify court processes if the complainant is a citizen or law enforcement officer.
- HB 673, Resilient VA Revolving Fund; distributing loans or grants for projects: Amended to provide
 weighting to low-income communities and those communities that are most at risk of flooding.
- SB 189, Virginia Beach, City of; amending charter, transition of city council: Amended to include a
 reenactment clause to allow for a reassessment of the legislation pending a potential resolution
 of the ongoing lawsuit involving Virginia Beach
- SB 238, Health insurance; coverage for contraceptive drugs and devices: Amended to ensure that
 non-governmental plan sponsors with sincerely held religious or moral beliefs are not required to
 provide insurance coverage for contraception in accordance with existing federal and state law.
- HB 597, Virginia Residential Landlord and Tenant Act; enforcement by localities: Amended to include a reenactment clause and direct the Department of Housing and Community Development to examine the legislation within the framework of multiple bills modifying the Virginia Residential Landlord and Tenant Act, to individually and collectively assess the impact on proposed changes that align with the shared goal of housing availability, accessibility, and affordability.
- HB 498, School bd. policy; parental notification of responsibility of safe storage of firearms in household: Amended to include a reenactment clause and direct the Department of Education to

convene a workgroup to create a comprehensive list of the parental rights and responsibilities and develop an efficient method for distributing such list to parents.

- SB 12, Children's advocacy centers; definitions, investigations by local departments of social services: Amended to clarify that the Child Advocacy Centers of Virginia is the lead qualifying organization for child advocacy centers to aid law enforcement and health professionals in interviewing children whose health and safety may be at risk.
- SB 196, Voter registration; list maintenance data standards, challenges to a voter's registration: Amended to reinstate longstanding process for voter registration appeals and eliminating certain criteria for unique identifiers.
- HB 588, VA Residential Landlord & Tenant Act; fire/casualty damage, landlord requirements for termination: Amended to include a reenactment clause and direct the Department of Housing and Community Development to examine the legislation within the framework of multiple bills modifying the Virginia Residential Landlord and Tenant Act, to individually and collectively assess the impact on proposed changes that align with the shared goal of housing availability, accessibility, and affordability.

Finally, the Governor vetoed eight bills to prevent the enactment of laws that would redundantly mirror existing statutes, potentially reverse our advancements in safeguarding election data, and impose excessive regulatory constraints on our Commonwealth.

The Governor vetoed eight bills, including:

- SB 235, Sexually explicit content; policies on parental notification of instructional material.
- HB 833, Child abuse and neglect; custody and visitation, possession or consumption of authorized substances.
- SB 606, Voter registration; list maintenance, data sharing.
- SB 143, Railroad safety; requirements for railroad companies.
- HB 110, Surrogacy brokers; repeals statute of prohibition.
- HB 46 & SB 47, Firearm; transfers to another person from a prohibited person.
- HB 651, Cyber civilian corps; Virginia Information Technologies Agency, shall assess creation of corps.

The Governor's full veto statements are available here.

KING FAMILY VINEYARDS WINS 2024 VIRGINIA GOVERNOR'S CUP FOR THE 2019 MERITAGE

(March 7, 2024) Governor Glenn Youngkin awarded the 2024 Virginia Governor's Cup® to King Family Vineyards for the 2019 Meritage - a blend of Merlot, Petit Verdot, Cabernet Franc, and Malbec. This year's prestigious award was announced during the annual Virginia Governor's Cup® Gala held at Richmond's Main Street Station on March 7. In its 42nd year, the competition received 752 entries from over 135 Virginia wineries, cideries and meaderies.

"It is an honor to present this year's Virginia Governor's Cup® to the team at King Family Vineyards," said Governor Glenn Youngkin. "They're a well respected example of the quality of wines being produced in

the Commonwealth and I look forward to seeing the ongoing success and growth of this family-owned winery in the future."

"Every year, I witness the rising quality of wines and ciders in this competition," said Secretary of Agriculture and Forestry Matthew Lohr. With another record-breaking year, 138 Virginia wines, ciders, and meads received a score of 90 points or higher. As this industry flourishes, it plays a pivotal role in supporting and enhancing both the agricultural community and Virginia's economy."

Located in Crozet, King Family Vineyards has been producing Virginia wines for more than two decades. Winemaker Matthieu Finot joined the team in 2007 and has been focused on producing quality wines expressive of the Monticello AVA, which was recently named the <u>Wine Region of the Year by Wine Enthusiast</u>. This year marks the fourth time the award has been given to King Family Vineyards, claiming the top-honor in 2004, 2010 and 2018.

To receive the Cup, the 2019 Meritage earned the highest average score from a panel of esteemed judges who evaluated the wines based on appearance, aroma, flavor, commercial suitability and overall quality. The wine will be featured alongside 11 other wines in the Virginia Governor's Cup® Case, a collection of the competition's 12 highest scoring wines.

The full case includes:

- King Family Vineyards, 2019 Meritage
- Afton Mountain Vineyards, 2019 T
- Barboursville Vineyards, 2019 Paxxito
- Bluestone Vineyard, 2017 Petit Verdot
- Breaux Vineyards, 2019 The Fog Nebbiolo Reserve
- Cave Ridge Vineyard, 2019 Fossil Hill Reserve
- CrossKeys Vineyards, Blanc De Noir
- Hark Vineyards, 2019 Spark
- Michael Shaps Wineworks, 2020 L. Scott
- Mountain and Vine Vineyards and Winery, 2022 Chardonnay
- October One Vineyard, 2022 Albariño
- Paradise Springs Winery, 2022 Petit Manseng

The Virginia Governor's Cup® Case includes a broad variety of wines and represents three leading wine regions across the Commonwealth including Central Virginia, Northern Virginia, and Shenandoah Valley. Seven of the case wines features enticing red wines each delivering rich and complex flavors. Complementing these are five white wines, with one sparkling wine to complete the case.

For the fourth consecutive year, Virginia cider was judged in its own category with the highest scoring cider awarded as Best in Show. Earning a gold medal in this year's competition, Buskey Cider received the Best in Show Cider recognition for its 2022 Ruby Red Crab Apple Cider.

The Virginia Wineries Association's Governor's Cup® is held in partnership with the Virginia Wine Board.

All entries must be made from 100% Virginia-grown fruit to be eligible. Each wine is ranked based on a unified scoring system. For more information about the Virginia Governor's Cup® Competition and a complete list of winners, visit: https://www.virginiawine.org/governors-cup/awards.

GOVERNOR YOUNGKIN ANNOUNCES OVER \$129 MILLION IN AFFORDABLE AND SPECIAL NEEDS HOUSING LOANS

(March 6, 2024) Governor Glenn Youngkin announced more than \$129 million in Affordable and Special Needs Housing loans for 78 projects across the Commonwealth. The recommended projects will create and preserve 5,358 total units for low-income and extremely low-income households.

"Ensuring accessible and affordable housing for Virginians isn't just a basic requirement, it's a strategic pillar for our state's continued success," said Governor Glenn Youngkin. "By keeping homes affordable and available, we are cultivating economic growth, strengthening our communities and laying the foundation for a thriving Virginia."

The Virginia Department of Housing and Community Development (DHCD) administers Affordable and Special Needs Housing (ASNH) loans, which combines state and federal resources to provide a simplified and comprehensive application process. Funding comes from four main sources: the federal HOME Investment Partnerships Program (HOME), the federal National Housing Trust Fund (NHTF), Housing Innovations in Energy Efficiency (HIEE) and the Virginia Housing Trust Fund (VHTF).

VHTF is funded by the Commonwealth and supports financing for housing construction projects that create or preserve affordable housing units, reduce the cost of affordable housing and increase homeownership. This funding is a key source of financing for these affordable housing initiatives to support moderate- and low-income families, as well as supporting homeless reduction grants to provide rapid re-housing and longer-term housing solutions for individuals experiencing chronic homelessness.

"Accessible and affordable housing is foundational to building a flourishing economy, and our commitment to meeting this essential need is unwavering," said Secretary of Commerce and Trade Caren Merrick. "These initiatives will not only expand and improve our affordable housing inventory but will also contribute to fostering a more resilient and prosperous Virginia for all."

"Increasing Virginia's supply of attainable, affordable and accessible housing is key to strengthening Virginia's economy and furthers this administration's Make Virginia Home Plan," said Director of the Virginia Department of Housing and Community Development Bryan Horn. "These awarded projects will leverage \$2.1 billion in additional federal, state, local and private lending resources to create and preserve housing options for Virginians."

Affordable and Special Needs Housing loans are awarded through a competitive process. Eighty-seven applications were received for this round of funding, requesting more than \$149 million. To learn more about the ASNH program, visit www.dhcd.virginia.gov/asnh.

A full list of the 2023 ASNH awards can be found here.

IN THE NEWS

Below, you will find several news articles that may be of interest from the past week.

General Assembly adjourns after passing \$188 billion biennial budget

Source: Cardinal News, Date: March 9, 2024

The budget includes more than \$2.5 billion in new funding for K-12 public education, a 3% salary increase for teachers and state employees, \$2.5 million for a proposed inland port and \$70 million for an Interstate 81 widening project. To read more, click here.

2024 General Assembly Session comes to an end

Source: WRIC, Date: March 9, 2024

The 2024 General Assembly Session is now a thing of the past as both the House and the Senate adjourn this year's regular session at the State Capitol on Saturday. To read more, click here.

After 2024 legislative session's end, legislature releases two-year state budget

Source: Virginia Mercury, Date: March 9, 2024

Lawmakers' biennial spending plan devotes funds to teacher raises and expanding behavioral health care, calls for state to rejoin regional carbon market and speed up restaurant polystyrene ban timeline. To read more, click here.

Virginia lawmakers approve budget, but governor warns that changes will be needed

Source: Associated Press, Date: March 9, 2024

Virginia lawmakers wrapped up their 60-day legislative session Saturday by approving a two-year budget that includes pay raises for teachers and state employees, increases education funding and extends the state sales tax to cover digital services. To read more, click here.

If there's no arena deal, some Democratic priorities likely will get vetoed

Source: Cardinal News, Date: March 8, 2024

Senate Finance Chair Louise Lucas schools Gov. Glenn Youngkin by nixing a sports arena in Alexandria, but also puts some Democratic bills at risk. To read more, click <u>here</u>.

Virginia budget bill leaves out governor's \$2 billion deal to lure NBA and NHL teams from Washington

Source: Associated Press, Date: March 7, 2024

A proposal to lure the NBA's Washington Wizards and NHL's Washington Capitals to Alexandria took another big hit Thursday, when top Virginia lawmakers confirmed the budget they will take up later this week would not include language enabling the deal. To read more, click <a href="https://example.com/here-enabling-near-enabling-enablin

Virginia budget deal ups pay 3% for teachers, state workers

Source: Richmond Times-Dispatch, Date: March 7, 2024

Teachers, state employees and state-supported local employees would receive raises of 3% in each year of the new two-year budget under an agreement that General Assembly budget negotiators unveiled on Thursday. To read more, click here.

Bill intended to smooth the way for broadband expansion in Virginia heads to Youngkin

Source: Cardinal News, Date: March 6, 2024

The General Assembly has passed a bill aimed at solving disputes in the commonwealth's broadband deployment quest. To read more, click here.

Virginia lawmakers reject effort to change state law regarding restaurant liquor sales

Source: WTVR, Date: March 5, 2024

An effort to change a longtime Virginia law governing liquor sales in restaurants was effectively killed Tuesday when the House of Delegates voted to send it back to the committee level. To read more, click here.

Clean energy bank bill passes in House

Source: The Capital News Service, Date: March 4, 2024

A bill that will establish Virginia's first "green bank" passed 57-40 with bipartisan support in the House Monday. To read more, click here.

Widening of Port of Virginia shipping channel is complete

Source: Virginia Business, Date: March 1, 2024

The Port of Virginia's shipping channel is now wide enough for two ultra-large container vessels to pass at the same time, concluding a significant part of the \$450 million dredging project to make the port the widest and deepest harbor on the East Coast. To read more, click here.

Legislation to legalize, tax skill games in Virginia heads to governor

Source: Associated Press, Date: March 1, 2024

Virginia lawmakers passed legislation Friday that would legalize skill games, the slots-like betting machines that proliferated in businesses around the state before an on-again, off-again ban took effect. To read more, click here.

Navy considering \$400 million sailor housing for personnel at Newport News' shipyard, officials say

Source: WHRO, Date: February 29, 2024

The U.S. Navy could spend up to \$400 million to build new housing in Newport News for sailors who are stuck aboard ships undergoing maintenance — and the state is poised to kick in up to \$40 million to get the ball rolling. To read more, click <u>here</u>.

IMPORTANT DATES AND MILESTONES

Upcoming dates and deadlines are listed below.

- April 17th Reconvened/Veto session, where legislature returns to act on Governor's amendments and vetoes.
- July 1st Effective date for legislation and budget unless otherwise specified.

We hope this report is helpful. Further updates to come as the session proceeds.

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