



2023 GENERAL ASSEMBLY SESSION

WEEKLY REPORT

Week Ending February 3, 2023

Access Point Public Affairs testified on bills of interest to the Chamber community in committee hearings and met with legislators representing the Prince William County business community. The Prince William Chamber has joined Virginia's Hospitals and health systems to oppose HB2427 and HB2435 which would increase the cost of health care in the state. For this, and additional important updates, please see the attached report.

For any questions regarding this report, please reach out to the Chamber office directly at: 703-368-6600

Prepared by:



GENERAL ASSEMBLY

As of February 3rd, the House has passed 491 bills and resolutions, while the Senate has passed 473. This week, we saw long subcommittee and committee meetings with large dockets of bills to consider to meet the approaching cross-over date (the half-way point of session when all bills must be acted on in their body of origin) on Tuesday, February 7th.

All revenue bills must be voted on in their respective committees by this Monday to meet the deadline.

On behalf of the Prince William Chamber, Access Point Public Affairs testified on bills of interest to the Chamber in committee hearings, and met with legislators representing the Prince William County business community, as well as legislators representing other parts of the Commonwealth. We also collaborated with other chambers throughout Virginia to advocate on behalf of the business community on many important issues, some of which are listed below.

KEY SESSION DATES

- February 5th – “Budget Sunday” – House and Senate money committees release their proposed budgets
- February 7th – Cross-over – the half-way point of session when all bills must be acted on in their body of origin
- February 25th – Final day of session: Sine Die
- April 12th – Veto Session

BILL TRACKER

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[BILLS WE ARE WATCHING](#)

PWC OPPOSES LEGISLATION THAT WILL INCREASE LIABILITY AND FRIVOLOUS LITIGATION AGAINST VIRGINIA’S LARGEST EMPLOYERS HB2427 (FREITAS)/HB2435 (HODGES)

The Prince William Chamber has joined Virginia’s hospitals and health systems in opposing HB2427 (Freitas) and HB2435 (Hodges), which would increase the cost of health care in Virginia and harm Virginia’s legal climate. HB2427 represents significant policy overreach related to hospital price transparency that is expected to significantly increase health care costs.

Specifically, this legislation establishes a:

- New Legal Structure: Sets up an additional and separate legal structure to determine “material compliance” (which is not defined in Virginia Code).
- Private Right of Action: Creates a private right of action to recover double the full price of any non-emergency procedure from a hospital that is not in “material compliance” on the date the procedure was provided, plus interest, without the need to show harm to the patient.
- Class Action Lawsuits: Creates an environment that will increase class action lawsuits in Virginia.
- Punitive Action: Creates a court mandate allowing triple damages equal to the amount of the full price of the non-emergency procedure, and reasonable attorney fees and costs if the court finds the hospital was “knowingly not in material compliance.”

- Additional Penalties: Prohibits critical access hospitals from collecting payment from patients for non-emergency procedures during any period of time when they are found not to be in “material compliance” with hospital price transparency laws, even if unintentional and without patient harm.

This is an unprecedented law creating civil action in state courts for failure to comply with a federal regulation. The negative impact of this legislation would erode Virginia’s reputation as one of the top states to do business by substantially altering the Commonwealth’s legal environment and place Virginia out of step with the rest of the nation.

This legislation would also create a hostile business environment for hospitals in Virginia – increasing the cost of health care and threatening providers’ ability to deliver services to their patients and communities.

We have joined other business associations and organizations in testifying in opposition of the legislation but, as shown below, the legislation is advancing albeit with extremely close votes at the committee level.

HB2427 (Freitas): ADVANCED

- House Health, Welfare and Institutions Subcommittee recommended reporting the bill (5-Y 4-N)
- House Health, Welfare and Institutions Subcommittee recommended reporting the bill with substitute (3-Y 2-N)
- House Health, Welfare and Institutions Committee reported the bill (10-Y 9-N)

HB 2435 (Hodges): ADVANCED

- House Health, Welfare and Institutions Subcommittee recommended reporting the bill (5-Y 0-N)
- House Health, Welfare and Institutions Committee reported the bill (10-Y 9-N)
- House Appropriations Committee reports the bill (11-Y 10-N)

PWC OPPOSES ANTI-DATA CENTER LEGISLATION

SB1078 (PETERSEN)/SJ240 (PETERSEN)/HJ522 (ROEM)/HB1986 (ROEM)/HB1974 (ROEM)

The Prince William Chamber has been vocal in expressing opposition to the harmful data center legislation that has been introduced in both bodies of the legislature. Legislation of this nature would have a significant negative impact on the viability of one of Virginia’s largest, and most successful sectors of the economy. By targeting a specific project, county and industry, these bills, and resolutions, create uncertainty for the business community, undermines the authority of local governments who have approved these projects, and deter companies from investing in and thoughtfully partnering with their communities. The status of these bills and resolutions is outlined below.

SB1078 (Petersen): FAILED

Siting of data centers; impacts on resources; site assessment.

- Senate Local Government Committee reported the bill (7-Y 3-N)
- Senate Rules Committee passed by the bill indefinitely (13-Y 4-N)

SJ240 (Petersen)/HJ522 (Roem): HOUSE RESOLUTION FAILED/SENATE VERSION ADVANCED

Study; Department of Energy; impacts of data center development; report.

- (HJ522) Studies Subcommittee of House Rules Committee recommended laying the resolution on the table (3-Y 2-N)
- (SJ240) Senate Rules Committee reported the resolution by voice vote

HB1974 (Roem): FAILED

Electric utilities; underground transmission lines.

- House Commerce and Energy tabled the bill (11-Y 9-N)

HB1986 (Roem): FAILED

Stormwater management regulations; enterprise data center operations.

- House Commerce and Energy Subcommittee tabled the bill (6-Y 1-N)

VIRGINIA FILING ELECTION FLEXIBILITY ACT ADVANCE
SB796 (SUROVELL)/HB1405 (MCNAMARA)

Per our previous reports, these bills will give Virginia corporate taxpayers additional flexibility to select how they file their corporate income tax returns, including allowing to companies to choose the method of filing after waiting 12 years and agreeing to pay the higher tax amount for the first two years under the new election. This would give Virginia corporations greater filing flexibility while preserving the protections on near-term impact to state corporate income tax collections.

HB1405 (McNamara): ADVANCED

The legislation was unanimously supported in the House of Delegates this week.

SB796 (Surovell): ADVANCED

The Senate version, SB796, was passed by the Senate Finance and Appropriations Committee unanimously and strong support is expected to continue as it moves to the Senate floor.

WORKFORCE CONSOLIDATION LEGISLATION CONTINUES TO ADVANCE
HB2195 (BYRON)/SB1470 (RUFF/BARKER)

Per our previous reports, policymakers have proposed legislation this session to address a long-held priority of many business organizations – to consolidate the Commonwealth's workforce development policies and programs.

As a reminder, [HB2195](#) (Byron)/[SB1470](#) (Ruff/Barker) seek to create a new department, the Department of Workforce Development and Advancement, as the administrator and fiscal agent for the Commonwealth's workforce development programs, consolidating statewide workforce program evaluation and data sharing and providing protections against improper disclosure of data. The legislation directs the Virginia Board of Workforce Development to conduct an independent evaluation of the operations and program objectives of the Department on a biennial basis, with the first report due on December 1, 2025.

HB2195 (Byron): ADVANCED

With Chamber support, HB2195 was reported by the House Commerce, Agriculture & Natural Resources Subcommittee (6-Y 2-N) and was then reported by the House Appropriations Committee (14-Y 8-N).

SB1470 (Ruff/Barker): ADVANCED

The Senate version of the bill was reported by the Senate General Laws and Technology Committee (11-Y 0-N 4-A) and was rereferred to Senate Finance and Appropriations Committee where it received unanimous support.

GOVERNOR'S BUSINESS AND INDIVIDUAL TAX RELIEF PROPOSALS CONSIDERED

HB2319 (MCNAMARA)/SB1451 (NORMENT)

HB2138 (MCNAMARA)/SB1355 (NEWMAN)

Per our previous reports, the Governor has proposed a series of tax relief bill that would impact businesses and individuals.

As a reminder, for businesses, a reduction in the corporate tax rate from 6% to 5% has been proposed, along with a statewide 10% Qualified Business Income tax deduction for small businesses and pass-through entities. The Governor's amendments also propose an increase in the business interest expense deduction to 50% and an additional \$100 million investment in the Unemployment Trust Fund.

For individuals and families, the Governor's budget doubles the Standard Deduction to \$9,000 for individuals and \$18,000 for married couples filing jointly. The amendments also reduce the top marginal tax rate to 5.5% if General Fund revenues meet the forecast and eliminate the age requirement to claim the income subtraction for military retirement income.

HB2138 (McNamara): ADVANCED

SB1355 (Newman): FAILED

The bills that will advance these priorities are proceeding in the House but have not received sufficient support to advance in the Senate. [HB 2138](#) (McNamara) was passed in the House on a party-line vote of 52-Y 48-N and will move on to the Senate Finance and Appropriations Committee where the Senate version of the bill, [SB 1355](#) (Newman), failed.

HB2319 (McNamara): ADVANCED

SB1451 (Norment): FAILED

[HB 2319](#) (McNamara) also passed the House on a party-line vote of 52-Y 48-N and was referred to the Senate Finance and Appropriations Committee where the Senate companion bill, [SB 1451](#) (Norment) also failed to advance.

NEWS RELEASES

See below for news and information of potential interest from the past week.

GOVERNOR GLENN YOUNGKIN REMOVES REGULATORY BURDENS TO INCREASE OPPORTUNITIES FOR NURSE AIDES

January 31, 2023 – Governor Glenn Youngkin announced this week that the Virginia Board of Nursing is implementing changes to improve the quality of training, availability of training, and the hiring process of qualified nurse aides in the Commonwealth of Virginia.

“Today’s actions by the Board of Nursing will increase opportunities for Nurse Aides in Virginia. It will also help alleviate the shortage of qualified nurse aides and ensure that we are providing the best patient care for all Virginians,” said Governor Glenn Youngkin. “Reducing unnecessary regulatory burdens is key to providing more employment opportunities and attract more talent to Virginia.”

“I am grateful to the Board of Nursing for their strategic efforts to bring more people into the nursing profession, especially at a time when the demand for nurses is widespread,” said Secretary of Health and Human Resources John Littel. “Nurse aides are often an entry point for careers in nursing and an important part of this profession, providing direct care to patients and being a force multiplier for nurses. They are a critical part of the team that Governor Youngkin calls ‘Virginia’s Quiet Heroes.’”

The Virginia Board of Nursing is officially taking comments on a fast-track regulation to:

- Allow nurse aide training to occur in a “clinical setting” outside of a nursing home facility focusing on geriatric care.
- Require only the program coordinator or primary instructor, but not both individuals to hold a license as an RN.
- Remove requirements for geriatric care experience for RN and LPN instructors and instructor experience from 2 years to 1 year.
- Clarify roles and duties of instructional personnel and seek professionals from other health professions to supplement as primary instructors.
- Ensuring appropriate and timely training is imperative for the 236 nurse aide programs across the Commonwealth with qualified and approved instructors.

Due to the COVID-19 pandemic and restrictions put in place, nurse aide programs continue to have issues that persist, which has perpetuated the difficulty of retaining qualified personnel to teach in these programs. Through this regulatory change, other qualified health professionals can instruct nurse aide students, thus equipping the next generation of healthcare heroes with more robust skills that are necessary to address modern challenges.

The comment period runs through March 1, 2023, and interested parties can comment through [Townhall.Virginia.gov](https://www.townhall.virginia.gov) and the changes would become effective on March 16, 2023.

The change will positively impact the available supply of potential instructors, create potential for increased size of nurse aid programs, and cultivate flexible options for teaching facilities.

DHP is an Executive Branch agency under the purview of the Health and Human Resources Secretariat, composed of 13 health regulatory boards. Policy boards ensure safe and competent care through licensing, enforce standards of practice, and disseminate vital information to practitioners and public.

YOUNGKIN ASKS LAWMAKERS TO FILL SCHOOL AID EXPECTATION GAP

<https://apnews.com/article/politics-virginia-education-4b9e0bd2a80b7497626f812347e53d5c>

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