



February 26, 2026

Hon. Scott Surovell
General Assembly Building, Room 1405
201 North 9th Street
Richmond, VA 23219

Dear Sen. Surovell:

On behalf of the undersigned business associations, and the thousands of employers we represent across Northern Virginia, we write to express our strong support for policies that help working families thrive and allow companies to grow here in Virginia. We are concerned that the paid family and medical leave program that would be established with the passage of SB2 and HB1207 is neither sustainable nor workable for employers and employees. While we would prefer this legislation not pass, we respectfully ask you to consider amending the legislation to reduce the negative impact it will have on Virginia's economy.

Cap Payroll Deductions

We request that the legislation includes a clear cap on payroll deductions for both employers and employees.

Northern Virginia is home to a highly competitive labor market and a diverse business community that includes startups, small businesses, nonprofits, and large employers. Without a statutory cap, payroll tax rates could increase unpredictably over time, creating financial uncertainty for employers and reducing take-home pay for workers.

A defined cap would:

- Provide cost certainty and predictability for long-term budgeting and hiring decisions.
- Protect employees from escalating deductions during economic downturns.
- Encourage continued job growth and business investment in the Commonwealth.

A responsible funding structure with guardrails will help ensure the program's sustainability without discouraging employment or wage growth.

Raise the Employer Coverage Threshold from 10 to 100 Employees

We strongly recommend increasing the employer participation threshold from 10 employees to 100 employees.

Small businesses are the backbone of Northern Virginia's economy. Employers with fewer than 100 employees often operate with narrow margins and limited staffing flexibility. Requiring very small businesses to absorb the administrative and operational impacts of extended leave mandates can create significant disruption, particularly when replacing specialized or skilled workers is difficult.

Aligning the threshold at 100 employees would:

- Reduce disproportionate burdens on small and emerging businesses.
- Maintain consistency with existing federal workforce benchmarks.
- Help protect entrepreneurship and small business formation in the Commonwealth.

This adjustment would allow the program to support employees while recognizing the operational realities faced by small employers.

Prohibit "Stacking" Leave with Federal FMLA

We also urge the General Assembly to clarify that leave under the state program may not be stacked on top of leave available under the federal Family and Medical Leave Act (FMLA) but instead run concurrently where applicable.

Allowing employees to stack state and federal leave would dramatically extend total leave durations beyond what many employers can reasonably accommodate. For smaller and mid-sized employers especially, extended absences can create workflow disruptions, increased overtime costs, reduced productivity, and challenges in maintaining client service and project continuity.

Requiring concurrent use would:

- Preserve job protections while maintaining operational continuity.
- Prevent unintended expansions of leave duration beyond the program's intended scope.
- Reduce compliance complexity and administrative confusion for employers and employees alike.

Our chambers believe it is critical for the Commonwealth to be a place where businesses can grow, which would provide more opportunities for working families to thrive. We appreciate your consideration and stand ready to serve as a resource as this legislation moves forward.

Respectfully,



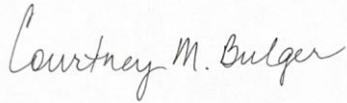
Julie Coons
President & CEO, NVC



Tony Howard
President & CEO, Loudoun Chamber of Commerce



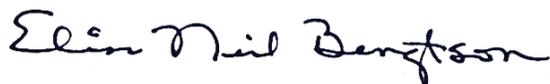
Holly Dougherty
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Courtney Bulger
Interim CEO, Greater Reston Chamber of Commerce



Joe Haggerty
President & CEO, Alexandria Chamber of Commerce



Elise Neil Bengtson
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