

2026

LEGISLATIVE SESSION SUMMARY



NOVA ROADMAP INVESTORS



CHAIRMAN'S CIRCLE



VISIONARY



TRAILBLAZER



ADVOCATE

HUPSIDE

THE MITRE CORPORATION



TABLE OF CONTENTS

Session Overview4-5
 Session by the Numbers5

Legislative Recap & Bill Summaries.....6-11
 Childcare7
 Housing7
 Taxes 8
 Business Climate9
 Talent & Workforce10
 Energy10

What’s Next for NVC11
 Interim Priorities 11

NOVABIZPAC 12

Policy Committee 13



ABOUT NVC

For over 100 years, the Northern Virginia Chamber (NVC) — the largest and most influential chamber in Greater Washington — has driven innovation and economic growth. NVC has championed key developments such as the Metro, Dulles Airport, and George Mason University.

Representing over 400 members, NVC continues to lead on affordability, workforce, and regional development through NOVA Roadmap and through exclusive programming and events.

For more information, please visit nvcbusiness.org.

SESSION OVERVIEW

The 2026 session of Virginia's General Assembly adjourned sine die on March 14. This session, NVC set out to advance the priorities set by our [2026 Legislative Agenda](#), which supports the four bold goals of [NVC's NOVA Roadmap initiative](#).

These policy priorities supported a strong and resilient business-friendly economy by:

- ▶ Preserving Virginia's Right-to-Work status
- ▶ Supporting workforce development
- ▶ Improving the affordability of housing and childcare
- ▶ Growing our innovation ecosystem

While the 2026 session included a new Governor and Administration as well as a new, large Democratic majority in the House of Delegates, what was not new was NVC's presence in Richmond and our member engagement on critical policy issues.

Though the legislative session adjourned, NVC's advocacy work is not over; we will continue pushing for changes to legislation and the budget before final action in the late-April "reconvened" session. NVC will also begin working with state policymakers to put business issues identified by our Legislative Agenda and NOVA Roadmap at the forefront for the 2027 session.

NVC is deeply appreciative of the NVC members who supported our advocacy during the 2026 session. You came to Richmond to meet with legislators and cabinet officials at Lobby Day and the Viva Virginia reception, responded to our Action Alerts, participated in coalition letters and outreach, and engaged with NVC staff hundreds of times this session. Your expertise materially influenced outcomes and kept the business voice central in policy discussions.



NVC members meet with Virginia Lieutenant Governor Ghazala Hashmi during the 2026 Lobby Day.



SESSION OVERVIEW

NVC hosted two dozen members in Richmond for Lobby Day and the Viva Virginia reception. Members attended 15 meetings with the following policymakers:

- ▶ Lieutenant Governor Ghazala Hashmi
- ▶ Secretary of Finance Mark Sickles
- ▶ Secretary of Transportation Nick Donohue
- ▶ Secretary of Labor Jessica Looman
- ▶ Other Virginia Senators and Delegates and their staff

LOBBY DAY & VIVA VA

Topics included the impact of proposed taxes, support for housing and childcare reforms, Virginia Department of Transportation (VDOT) permitting review, and regional economic diversification.



SESSION BY THE NUMBERS

84



NOVA ROADMAP
RELATED BILLS

17



NVC-SUPPORTED
BILLS PASSED

18



NVC-OPPOSED
BILLS THAT FAILED

10



SPECIAL ISSUES OF
THE BULLETIN

3,600+



SUBSCRIBED TO
THE BULLETIN

8



RICHMOND RECAP
BRIEFINGS HOSTED

ACTION ALERTS

SENT DURING SESSION

BILL TOPICS:

1. Housing Affordability
2. Childcare
3. Economic Environment & Business Climate
4. Energy
5. Workforce Development

LEGISLATIVE RECAP & BILL SUMMARIES

As the 2026 General Assembly session concludes, this report serves as a comprehensive summary of the outcomes and strategic achievements of our advocacy efforts.

We have organized these results across our core NOVA Roadmap priorities — including childcare, housing, and the regional business climate — to provide a clear picture of where our policy goals stand.

Following the bill summaries, you will find a framework for our next steps, detailing how we will pivot toward budget engagement and begin preparing our members for 2027.

⊕ = NVC supported this legislation

⊗ = NVC opposed this legislation

CHILDCARE

EMPLOYEE CHILD CARE ASSISTANCE

Passed 

This will create a matching fund to incentivize employers to contribute to employee childcare costs. The Child Care Assistance Program is to be administered by the Virginia Early Childhood Foundation. This bill is a great example of government providing incentives rather than costly mandates.

CHILD CARE SUBSIDY PHASED REDUCTION

Failed 

This would have required Virginia's Department of Education to implement a phased reduction model for the Child Care Subsidy Program so families do not abruptly lose support as income rises. Currently, if a family's income rises even slightly above the 85% state median income threshold, they lose the entire subsidy immediately.

HOUSING

AFFORDABLE DWELLING UNIT PROGRAMS

Passed 

This authorizes any locality in the Commonwealth to provide for an affordable housing dwelling unit program by amending the zoning ordinance of such locality.

LOCAL GOVERNMENT WORKFORCE HOUSING

Passed 

This legislation eliminates the maximum amount a locality may provide to employees for homeownership grants to purchase primary residences in the locality and to school division personnel. It also eliminates the requirement to adhere to the Virginia Housing and Development Authority regional sales price and household income limitation guidelines.

MANUFACTURED HOUSING

Passed 

This bill amends existing provisions that require localities to permit manufactured homes in areas zoned for agriculture by expanding such requirement to all zoning districts where site-built housing is allowed, with certain conditions.

HOUSING ON RELIGIOUS PROPERTIES

Passed 

This legislation allows for the by-right development and construction of housing on land owned by property tax-exempt organizations — the so-called "Yes In God's Backyard" (YIGBY) bill.

HOUSING ON COMMERCIAL PROPERTY

Failed 

Through this legislation, localities would have been required to allow by-right multifamily residential development on at least 75% of land zoned for commercial/business purposes to accelerate office-to-residential conversions in redevelopment areas.

STATEWIDE HOUSING TARGETS

Failed 

Had it passed, this bill would have required localities to increase housing stock by 7.5% over five years (approximately 1.5% annually), with flexibility in implementation.

NOVA HOUSING SUPPLY FRAMEWORK



[VIEW THE FRAMEWORK](#) 

TAXES

During the 2026 legislative session, Virginia lawmakers introduced multiple bills that amounted to a structural change in Virginia's taxation system. These proposals were in the form of competing funding packages for the Washington Metropolitan Area Transit Authority (WMATA), Virginia Railway Express (VRE), Potomac and Rappahannock Transportation Commission (PRTC), and other regional transportation needs, ranging from broad sales-tax expansions to more targeted mechanisms such as delivery fees, Transportation Network Companies (TNC) fees for businesses such as Lyft and Uber, and other regional revenue options.

NVC emphasized that these proposals — particularly the broad tax-base expansions — would raise costs for residents and businesses and undermine Northern Virginia's competitiveness. Therefore, the defeat of these large tax-expansion measures represented a major win for Northern Virginia's business community.

NVC opposed both the wide-ranging service-tax expansions and other proposals that unfairly targeted specific industries. Instead, NVC advocated for predictable, budget-driven approaches as well as protecting the WMATA funding cap to promote sustainable and equitable funding across jurisdictions.

Below, you will find a more detailed description of each of these highlighted bills.

SALES AND USE TAX, NEW TAXABLE SERVICES

Did not pass; Continued to 2027 session (X)

This bill would have decreased the retail sales and use tax from 4.3% to 4%, and expanded such tax to include taxable services and digital personal property beginning on January 1, 2027. This would have been a very substantial change in the taxing environment in Virginia; it was essentially a new tax on services. Revenue generated by this suite of taxes was to be directed toward transportation and mass transit, including WMATA.

TRANSIT FUNDING

Did not pass; Continued to 2027 session (X)

This was a narrower plan, proposing a \$0.50 retail delivery fee statewide, 4.3% statewide TNC tax and new Northern Virginia Transportation District (NVTDC) regional taxes/fees (retail sales surtax, regional delivery fees, highway use fee adjustments, parking tax, TNC regional tax). Proposed allocations included the Northern Virginia Transportation Commission (NVTC), WMATA capital funding schedule, and VRE/Commuter rail supports.

SALES AND USE TAX; ADDITIONAL LOCAL TAX TO SUPPORT SCHOOLS

Failed in Senate; House version continued to 2027 session (X)

This legislation would have authorized all counties and cities to impose an additional local sales and use tax at a rate not to exceed 1%, with the revenue used only for capital projects for the construction or renovation of schools if such a levy is approved in a voter referendum.

BUSINESS CLIMATE

PAID FAMILY & MEDICAL LEAVE

Passed ⊗

This legislation requires Virginia's Employment Commission to establish and administer a paid family and medical leave insurance program with benefits beginning January 1, 2029. Under the program, benefits (typically 80% of wages) are paid to covered individuals, as defined in the bill, for family and medical leave.

Both employers and employees would be required to make mandatory contributions to the fund beginning July 1, 2028.

Fiscal estimates indicated a roughly \$1.5 billion annual cost for contributions, effectively representing the largest tax increase this legislative session.

BUSINESS ONE STOP WORKGROUP

Failed ⊕

This legislation would have directed the Virginia Department of Small Business and Supplier Diversity to convene a workgroup to determine methods of modernizing the existing Virginia Business One Stop small business permitting program.

PAID SICK LEAVE

Passed ⊗

This legislation requires one hour of paid sick leave for every 30 hours worked for all employees of private employers and state and local governments, with certain exceptions.

REDEVELOPMENT/URBAN PPP FUND

Passed ⊕

This bill directs the Virginia Department of Housing and Community Development to review and develop criteria and guidelines for the administration of the Urban Public-Private Partnership Redevelopment grant program.

NVC supports expanded, better-funded redevelopment tools, such as Virginia's Business Ready Sites Program (VBRSP), to incentivize office-to-residential conversions and other redevelopment needed in Northern Virginia.

FAIRFAX COUNTY CASINO, GAMING

Passed ⊕

While this legislation adds Fairfax County to a list of Virginia localities eligible to host a casino, it does not automatically grant the development of such a facility. Instead, the process requires approval via voter referendum. The bill has passed the legislature and is currently awaiting Governor Abigail Spanberger's signature.

POLICY SPOTLIGHT: RIGHT-TO-WORK REPEAL

Bill Status: Failed ⊗

This legislation would have repealed the provisions of the Code of Virginia that established Virginia as a right-to-work state, where one's employment cannot be conditioned on membership in a union, among other provisions.

NVC opposed the repeal, emphasizing the risks to Northern Virginia's future competitiveness. Ultimately, this legislation never received a hearing.

TALENT & WORKFORCE

APPRENTICESHIP PROGRAM

Passed ⊕

This legislation recognizes Virginia's Department of Workforce Development and Advancement as the primary agency responsible for workforce development programs in the Commonwealth.

It also updates state code to reflect the transfer of apprenticeship program oversight to this department and streamlines the regulatory process for adopting new workforce training standards.

WORK-BASED LEARNING COORDINATOR

Failed ⊕

If passed, this would have established the Work-Based Learning Coordinator Pilot Program in the Commonwealth. Its primary goal was to expand equitable access to high-quality work-based learning experiences for public school students, such as internships and apprenticeships.

CREATIVE ECONOMY TASK FORCE

Did not pass; Continued to 2027 session ⊕

This bill would have established the Creative Economy Task Force within the within the Virginia Innovation Partnership Authority.

The Task Force would have been tasked with developing a strategic plan to strengthen and grow Virginia's creative industries, with a final report due to the Governor in late 2027.

Although this legislation received significant bipartisan support in the House, the Senate Finance and Appropriations Committee opted to continue the legislation to the 2027 session.

ENERGY

TIMELINES FOR ENERGY FACILITIES

Passed ⊕

The legislation sets timelines for the State Corporation Commission (SCC) approval of transmission lines. This aligns the review process for these transmission lines with the nine-month standard already used for small renewables.

NVC supported the addition of predictability and speed permitting for needed capacity.

DATA CENTER WATER USE

Passed ⊗

This requires utilities to report monthly water withdrawals and reclaimed water for data centers to the State Water Control Board. This legislation is currently awaiting the Governor's signature.





WHAT'S NEXT FOR NVC

Now that the 2026 General Assembly legislative session has concluded, NVC will work on next-phase strategies and follow-up at both the state and local levels to build on our advocacy efforts in Richmond, including:

- ▶ Legislation designed to repurpose underutilized, government-owned land or buildings for affordable and middle-income housing. (NVC position: Support)
- ▶ Local anti-rent gouging authority (NVC position: Oppose)
- ▶ Changes to the Uniform Statewide Building Code (NVC position: Oppose)



INTERIM PRIORITIES

- ▶ **TAXES & TRANSIT:** This summer, NVC will engage with leaders to develop a shared understanding of the massive impact this session's tax proposals would have on Northern Virginia's economy. While we understand and support transportation and transit funding, the ability of NVC members to grow and compete would be greatly hindered by these proposals.
- ▶ **HOUSING:** While there was progress made this session, more can be done locally now, and statewide in next year's legislative session. NVC will work with our partners at the Northern Virginia Association of Realtors (NVAR) and Northern Virginia Building Industry Association (NVBIA) to advocate for local policy and regulatory changes to increase housing affordability in the region. For the 2027 legislative session, we would build on these local wins and build support for initiatives that failed to pass during the 2026 session.
- ▶ **CHILDCARE:** This summer, NVC will work with stakeholders including the Virginia Early Childhood Foundation, employers, and bill patrons to identify and secure funding for key initiatives, and look for opportunities to continue to build on the successes of 2026.
- ▶ **PAID LEAVE & LABOR MANDATES:** As with the tax proposals this year, we will continue to make the case that well-meaning initiatives like paid family and medical leave will lead to fewer jobs for Northern Virginians. Facing new taxes and higher labor costs will lead to companies choosing to invest in other regions rather than here.



NOVABIZPAC
NVC ADVOCACY WORK

To ensure that Northern Virginia has a voice in the legislative process, NVC established the Northern Virginia Business Political Action Committee (NOVABIZPAC) in 2002 to support legislators who champion a pro-business, pro-growth agenda.

NOVABIZPAC utilizes NVC's Legislative Agenda to determine whether candidates are supportive of NVC's policy priorities.

Our PAC is administered by a Board of Trustees composed of NVC members, chaired by a member of NVC's Board of Directors, and receives advice and oversight from NVC's Board of Directors. Trustees must meet key requirements: seniority, a relevant organizational position, and the ability to represent their organization at PAC meetings.

NVC members are encouraged to join the NOVABIZPAC to advance our advocacy work. For more information, please contact NVC Senior Vice President for Government Relations Clayton Medford (CMedford@NVCBusiness.org) to schedule a meeting and learn more about service as a Trustee.

NOVABIZPAC TRUSTEES



NOVABIZPAC CHAIRMAN
Washington Gas
Brandon Todd

**Apartment and Office Building Association
of Metropolitan Washington (AOBA)**
Bismah Ahmed

B.F. Saul Company Hospitality Group
Mark Carrier

Cox Communications
Kathryn Falk

Fairfax Christian School
Jo Thoburn

Fairfax City Self Storage
Bruce Jennings

Great American Restaurants
Timmy Norton

Miles & Stockbridge
Robert Webb

Northern Virginia Chamber (NVC)
Julie Coons

Saul Ewing, Arnstein, & Lehr, LLP
Andrew Palmieri

Training Solutions, Inc.
C. Michael Ferraro



POLICY COMMITTEE



POLICY COMMITTEE CHAIRMAN

Clark Construction Group

Lee DeLong

Anthem Blue Cross Blue Shield*
Rebecca Fallen

**Apartment and Office Building Association
of Metropolitan Washington (AOBA)**
Bismah Ahmed

AT&T
Garrett McGuire

Baird*
John Song

CALIBRE*
Lauraangiuli

CGI Federal
Andrew Jennison

Cooley
Mark Looney

Cox Communications*
Kathryn Falk

**Fairfax County
Economic Development Authority**
Anna Nissinen

George Mason University
Terry Clower

Grant Thornton
Wayne Corini

Huntington National Bank*
Chris Ellis

Inova Health*
Mike Forehand

Johns Hopkins University
Ann Harbour

McGuire Woods Consulting
Tracy Baynard

Noblis*
Bill Streilein

Northern Virginia Association of Realtors
Joshua Veverka

Northern Virginia Community College
Tykesha Myrick

Northern Virginia Transportation Alliance
Jason Stanford

Peterson Companies*
Taylor Chess

Systems Planning & Analysis (SPA)*
Richard Sawchak

The SkillSource Group
David Hunn

Training Solutions, Inc.
C. Michael Ferraro

United Bank
Larkin Wilson

Washington Gas*
Christian Deschauer

**Washington Metropolitan Area
Transit Authority (WMATA)**
Greg Potts

Williams Mullen
Dave Albo

**Executive Council Co-Chair*



The Voice of Business in Northern Virginia®

NVCBusiness.org