

2023 General Assembly Session Update – Legislation / Budget

Legislation:

This year's session began January 11 and finished on time February 25. As sessions go, this was not one focused heavily on higher education. Though there were a number of bills which passed that do have an impact on the colleges and universities in Virginia, specifically in the areas of student health and safety as well as workforce. Reflecting the Governor's high priority on workforce, the related bills were focused on the intersection of workforce and higher education. The most notable, and a key priority of the Administration, was HB 2195 (Byron) / SB 1470 (Ruff) which reorganized much of the state's workforce programs that are currently housed in various agencies into one consolidated agency. Though it did leave key components, such as VTOP (internship program) connected to their original agency. In this case SCHEV.

Internships generally remain a high priority of the Governor and the General Assembly. In the yet finalized budget there are additional resources proposed to support VTOP and its efforts. And Sen. Dunnavant patroned SB 1280 bill which passed that requires all public four-year institutions to adopt policies requiring that "participation in an internship or work-based learning experience be integrated into a student's degree program so as not to extend the time to complete the degree. The bill also asks State Council of Higher Education for Virginia (SCHEV) to convene a work group to develop recommendations for the implementation of the policy. It is worth noting that through legislation SCHEV was given a number of new or expanded duties to implement the various bills and resolutions. Appendix A includes a list of those for your information.

On April 12, the General Assembly met to consider amendments and vetoes offered by Governor Youngkin. One bill with a Governor's amendment is worth noting. [SB 1459](#) (McDougle) which prohibits any employee or agent of any public body from downloading or using TikTok or WeChat, or accessing any website developed by ByteDance Ltd. or Tencent Holdings Ltd. on any government-issued device or piece of equipment passed both the House and the Senate. And it granted an exception to the Superintendent of State Police or the chief law-enforcement officer of a county or city for law enforcement matters; the Governor's amendments, which were approved on April 12 also grant an exception to law enforcement officials of public institutions of higher education.

2022-24 Budget:

While the General Assembly did end its Session on time, it did not complete its work on the budget. Before leaving town, they approved and the Governor has signed, a "skinny budget" which included four amendments to the FY 2024 budget already adopted as part of the 2022-2024 budget in June 2022. These four amendments included \$359 million for K-12 enrollment updates and addressing the sales tax on food miscalculation for K-12, the deposit to the Rainy Day fund, capital outlay funds for existing projects with cost overruns, and unfunded liabilities in the Virginia Retirement System. The Governor offered four changes to the "Skinny" budget which included a technical amendment to reflect changes in revenue collections relating to the

conformity of the state's tax code with the IRS's tax code, reallocation of ARPA funding related to Medicaid rate increases, \$15.3 million for the TANF Unemployed Parents program, and authorization for a short-term loan to construct a data facility associated with the Thomas Jefferson National Accelerator Facility. All four of these amendments were approved during the veto session on April 12th.

In the meantime, the 15 budget conferees – 6 from the House and 9 from the Senate – continue their conversations and have not yet reached an agreement to address major unresolved items. The latest reports indicate that a budget will not be finalized and available for a vote until sometime between the June 20 primary elections and the June 30 fiscal year end. Both the House and the Senate as well as the Administration have indicated an interest in having as much information as possible – including April's and potentially May's revenue reports before finalizing a budget. All agree that understanding how much revenue is available to spend and the health of the Commonwealth's economy is critical to developing a budget.

Electoral Update

This fall will be an important election for the future direction of the Commonwealth. With all 140 districts recently redrawn as a result of redistricting, known retirements, and impending losses of several members in paired districts, we will see an historic number of new members. That coupled with the loss – through retirement or lost elections - of senior members of both parties in key leadership positions will mean the legislature will look and be run very differently, especially the Senate.

Redistricting Context:

This June's primaries and conventions will mark the first time that Virginians cast their ballots in state legislative districts drawn based on the new bipartisan redistricting constitutional amendment adopted in November 2020. The amendment established a bipartisan redistricting commission, comprised of state legislators and other politically appointed citizens of the Commonwealth and tasked with drafting and approving state and federal district maps.

The commission, however, failed to reach consensus on either state or federal maps, thereby punting responsibility to the Supreme Court of Virginia. The Supreme Court appointed two "special masters," or experts in the field of redistricting, from both the Republican Party of Virginia and the Democratic Party of Virginia to redraw the maps in an "apolitical and nonpartisan manner" after a contentious period of public comment. Ultimately, the Supreme Court unanimously approved three final maps – for the State House, State Senate, and U.S. Congress – in late December 2021, thus setting the stage for the next decade of political battles in Virginia.

New Faces:

Notably, the new maps were drawn without consideration of incumbent residency, thereby pitting countless sitting Delegates and Senators against each other, and leaving even more seats with no incumbent whatsoever. As a result of the new dynamics, a growing number of lawmakers have chosen to not seek reelection, while others are electing to move to a neighboring district rather than face newly unfavorable political chances in their current district.

As of mid-March, about one-third of the 100 House districts and one-fourth of the 40 Senate districts are now considered “open seats,” – they have no incumbent representative. One House district and one Senate district feature an incumbent-versus-incumbent primary.

Setting aside the dramatic way redistricting will limit the number of returning lawmakers next year, many incumbents are also facing the two traditional issues of primary or convention challengers and difficult general elections. Ten sitting Senators have primary or convention challengers, while only five Delegates will have to fight to defend their party’s nomination from a non-incumbent member of their own party. While it is difficult to know exactly how many seats are truly competitive this November, several freshman legislators who displaced incumbents in 2021 will face a challenging path to reelection this November.

New Leadership:

Not only will the General Assembly have a likely record-breaking number of new faces next January, but leadership – particularly in the Senate – will be completely shaken up.

Delegate Kathy Byron, Republican Chair of the House Commerce and Energy Committee; Delegate Rob Bell, Republican Chair of the House Courts of Justice Committee; Delegate Glenn Davis, Republican Chair of the House Education Committee; and Delegate Margaret Ransone, Republican Chair of the House Privileges and Elections Committee are all retiring.

Delegate Emily Brewer, Republican Chair of the Communications, Technology, and Innovation Committee, is seeking a Senate seat. While Speaker Todd Gilbert and Minority Leader Don Scott are likely to continue leading the Republicans and Democrats, respectively, it is unclear which party will emerge with most seats in the House in November.

The Senate’s leadership may be even more severely disrupted (See Appendix B) with the retirement of Democratic Majority Leader Dick Saslaw – who also chairs the Senate Commerce and Labor Committee – and Republican Minority Leader Tommy Norment. Senator Louise Lucas, President Pro Tempe and Democratic Chair of the Senate Education and Health Committee and the Senate Rules Committee, is facing a primary against Senator Lionell Spruill, Democratic Chair of the Senate Privileges and Elections Committee. Additionally, Senator Janet Howell, Democratic Chair of the Senate Finance and Appropriations Committee; Senator John Edwards, Democratic Chair of the Senate Judiciary Committee; and Senator Lynwood Lewis, Democratic Chair of the Senate Local Government Committee announced their retirements.

A few final headlines:

- So far at least 12 members of the Senate have announced their retirement
- Nearly a third - 31 and counting - House members have announced their retirement
- Come next January more than 70 House members will have served 4 years or less
- For the Senate nearly half will have four or less years in the body
- Of the 14 chairs of House committees, five are not seeking re-election and one is running for a state Senate seat