

2019 Legislative Session in Richmond Reaches Halfway Mark

Tuesday, February 5 marked crossover at the Virginia General Assembly, the deadline for each chamber to act on its own bills. Beginning Wednesday, February 6, the House of Delegates will review and act on Senate bills and the Senate will review and act on House bills.

Crossover marks the mid-point of the legislative session and provides a clear look at legislation that was approved by at least one chamber as well as legislation that will not move forward this session. In total, more than 2,400 pieces of legislation have been introduced this session.

The 46 day 2019 session is scheduled to conclude on February 23rd.

Specific legislation of interest to Northern Virginia's technology community that is currently moving forward:

Employment Nondiscrimination

- [SB 998](#) (Sen. Ebbin)
- [HB 2067](#) (Del. J. Bell)

Over the past several years, NVTC has worked to support legislation which would prohibit public sector employment discrimination on the basis of sexual orientation. This legislation fosters fair treatment in the workplace, benefits technology employers by promoting employment and retention of a critical talent pool and benefits higher education institutions in their recruitment and retention of faculty and researchers who train the workforce and help drive our innovation economy. In that effort, NVTC supports SB 998 and HB 2067, which aim to prohibit public sector employment discrimination on the basis of sexual orientation or gender identity.

SB 998 passed the Senate 28-12 and has been assigned to the House Rules Committee.

HB 2067 was not heard in the House General Laws Committee prior to the General Assembly's crossover deadline and will not be moving forward this session.

Limitations of Liability

- [SB 1329](#) (Sen. Ruff)
- [HB 2324](#) (Del. Peace)

NVTC is part of coalition led by Greater Richmond Technology Council, CGI, and Deloitte seeking to advance SB 1329 and HB 2324 which would limit liability in major IT contracts to 2X the value of the contract.

SB 1329 passed the Senate of Virginia 34-6.

HB 2324 passed the House of Delegates unanimously.

Microcredential Program

- [SB 1419](#) (Sen. Sturtevant)
- [HB 2217](#) (Del. Bourne)

NVTC supports SB 1419 and HB 2217 which originated from CodeVA and would allow the Department of Education to set up a micro-credentialing program to offer a professional development tool for teachers in high demand STEM fields. This type of program is already being utilized in multiple states including Texas, North Carolina, Massachusetts and Wyoming. The Bills intent is to increase teachers access to professional development in critical STEM fields like computer science and coding.

SB 1419 passed the Senate of Virginia unanimously.

HB 2217 passed the House of Delegates unanimously.

Amazon Incentive Legislation/Major Headquarters Workforce Grant Fund

- [SB 1255](#) (Sen. Ruff, Sen. Saslaw)
- [HB 2356](#) (Del. Jones)
- [SB 1617](#) (Sen. Ruff)
- [HB 2490](#) (Del. Rush)

NVTC supports SB 1255 and HB 2324 which creates the Major Headquarters Workforce Grant Fund to provide the incentive package to support Amazon's HQ2 in Northern Virginia.

SB 1255 passed the Senate of Virginia 35-5, passed the House of Delegates 83-16 and has been signed into law by Governor Northam.

HB 2356 passed the House of Delegates 85-5

-

Separate legislation sponsored by Sen. Ruff (SB 1617) and Del. Rush (HB 2490) creates the Tech Talent Investment Program and Fund which establishes the state's higher education commitments that include more than \$700 million in funding for production of bachelor's degrees, as well as up to \$375 million for master's degree programs that Virginia Tech and George Mason University would establish in the region around Amazon.

SB 1617 passed the Senate of Virginia unanimously.

HB 2490 passed the House of Delegates 92-5.

Micron Incentive Legislation/Semiconductor Manufacturing Grant Fund

- [SB 1370](#) (Sen. Norment)
- [HB 2180](#) (Del. Rush)

NVTC supports SB 1370 and HB 2180 which creates the Semiconductor Manufacturing Grant Fund to provide incentive grants to support Microns \$3 billion expansion in Manassas, which will create 1,100 new jobs.

SB 1370 passed the Senate of Virginia 36-2 and has been approved unanimously by the House Finance Committee.

HB 2180 passed the House of Delegates 91-5.

Consolidating and Aligning Research, Commercialization and Entrepreneurship Initiatives

- [SB 1651](#) (Sen. Howell) (incorporates [SB 1597](#) (Sen. Saslaw))
- [HB 2550](#) (Del. Jones, Del. Sickles)

NVTC supports efforts to develop and execute an innovation strategy for Virginia that includes consolidation, alignment, coordination and oversight over Virginia's programs

and investments related to research, commercialization, intellectual property transfer, entrepreneurship and startup formation, and capital investment.

While the House and Senate approaches are starting to align, there are still differences between these bills and NVTC is continuing to share our feedback with the Administration and the lead legislators as the bills continue through the legislative process.

Inclusion of Telework Jobs in the “New Jobs” Requirement

- [SB 1463](#) (Sen. McPike)

NVTC supports SB 1463 which would give the Virginia Economic Development Partnership (VEDP), or any other state agency, the ability to count teleworking jobs or offsite jobs in the “new jobs” definition. The legislation is intended to connect technology companies in Northern Virginia, or other parts of the state, with workers around the state when needed.

SB 1463 passed the Senate of Virginia unanimously.

Workforce Development

- [SB 1523](#) (Sen. Ruff)
- [HB 2545](#) (Del. Byron)

SB 1523 and HB 2545 would create the position of Secretary of Workforce Development, remove the position of Chief Workforce Development Advisor and reassign that position's responsibilities to the newly created secretariat.

SB 1523 passed the Senate of Virginia 34-6.

HB 2545 was not heard in the House Committee on Appropriations prior to the General Assembly’s crossover deadline.

- [SB 1589](#) (Sen. Dunnavant)

SB 1589 would create the Virginia Works Portal, under VEDP to provide one-stop access to information regarding career paths, education, workforce development, and employment opportunities in the Commonwealth. The bill would create the five-person

Virginia Works Board to oversee the Portal and the Virginia Works Advisory Committee of public and private sector stakeholders to advise the Board.

The legislation passed the Senate of Virginia unanimously.

Unmanned Aerial Systems (UAS)

- [HB 1636](#) (Del. Knight)

HB 1636 seeks to prevent UAS takeoff and Landings on or near military airfields. The legislation provides for criminal penalties (Class 1 misdemeanor) for the takeoff or landing in violation of current Federal Aviation Administration Special Security Instructions and UAS security sensitive airspace restrictions, for any reason.

HB 1636 passed the House of Delegates 98-0.

Guidance to State Public Bodies Regarding Purchases of Materials made in the United States

- [SB 1099](#) (Sen. DeSteph)

SB 1099 would direct the Department of General Services to develop and maintain a guidance document assisting state public bodies to purchase (i) iron and steel that are made in the United States and (ii) manufactured goods with at least 50 percent of the constituent parts and materials originating in the United States.

The legislation passed the Senate of Virginia 35-5 and has been assigned to the House General Laws Committee.

Relocation of Call centers to a Foreign Country

- [HB 1798](#) (Del. Heretick)

HB 1798 would require state agencies to ensure that all contracts entered into on and after July 1, 2019, for the performance of state business-related call center and customer service work, provide that such work shall be performed by the contractor entirely within the Commonwealth for the contractor's primary call center and customer service workplace.

The legislation passed the House of Delegates 61-36, however the current version is substantially narrowed from the original bill.

Specific legislation of interest to Northern Virginia's technology community that is no longer moving forward includes:

Right to Repair/Deactivation or Alteration of Embedded Software

- [HB 1754](#) (Del. Carter)

NVTC opposed HB 1754, which aimed to prohibit the original equipment manufacturer (OEM) of a digital device from deactivating embedded software in the digital device or altering embedded software so as to substantially alter the functioning of the digital device as a response to it being repaired by an independent repair provider or owner.

NVTC believes that if enacted, this legislation would have led to unintended consequences to the operation, security and safety of those products and would have prevented OEM's from altering embedded software potentially violating federal copyright protections.

The legislation was not heard in the House Science and Technology Committee prior to the General Assembly's crossover deadline and will not be moving forward this session.

Care and Disposal of Customer Records and Cybersecurity for Connected Devices

- [HB 2793](#) (Del. Ayala)

NVTC opposed HB 2793 which would have required a manufacturer of a device or other physical object that is capable of connecting directly or indirectly to the Internet to:

- (i) Equip the device with reasonable security features
- (ii) Demonstrate conformity with industry standards for cybersecurity and resiliency
- (iii) Provide an opt-in forum or registration capability to allow consumers to know when a vulnerability or breach is discovered
- (iv) Make patch notification and end-of-life support events easily obtainable by registered users of the manufacturer's connected devices

- (v) When it is aware of existing vulnerabilities that put more than 500 users at risk, notify the office of the Chief Information Officer of the Commonwealth and provide remediation steps to consumers

The legislation also would have required any business to take steps to dispose of customer records containing personal information when the records are no longer to be retained by the business.

HB 2793 was defeated 5-2 in the House Commerce and Labor Subcommittee #1.

Digital Services; Protection for Minors

- [HB 2535](#) (Del. Ayala)

NVTC opposed HB 2535 which would have required the operator of a digital service to permit minors to remove content or information posted on a digital service. The measure would also prohibit an operator of a digital service directed to minors from marketing or advertising to minors specified products or services that minors are prohibited from buying (think alcohol and tobacco products). The measure would also prohibit marketing or advertising certain products on the basis of personal information specific to a minor or knowingly using, disclosing, compiling, or allowing a third party to do so.

The legislation was not heard in the House Science and Technology Committee prior to the General Assembly's crossover deadline and will not be moving forward this session.

Tax Exemption for Solar Projects Greater than 20 Megawatts

- [HB 2810](#) (Del. Wright)

NVTC opposed HB 2810 which would have advanced the sunset date of the real property tax exemption for solar projects greater than 20 megawatts from 2024 to 2020.

The legislation was defeated 6-1 in the House Finance Subcommittee #2.

Net Neutrality

- [HB 1755](#) (Del. Carter)

HB 1755 would have prohibited a provider of broadband services from offering or renewing services to consumers within any locality in the Commonwealth in which certain media is throttled, blocked, or prioritized on the basis of its content, format, host address, or source.

The legislation was defeated 7-1 in the House Commerce and Labor Subcommittee #3.

Regulation of Social media websites as Public Service Corporations

- [HB 2635](#) (Del. Cole)

NVTC opposed HB 2635 which would have required the State Corporation Commission to regulate any social media website that is open to the public, that has more than 75 million subscribers, and that is not specifically affiliated with any one religion or political party as a public service corporation. The measure also would have prohibited such a website from using an assertion, opinion, or belief that religious or political speech constitutes hate speech as a basis for deleting or censoring a user's religious or political speech.

The bill was heard in the House Commerce and Labor Subcommittee and no motion was made to advance the bill. The legislation will not be moving forward this session.

Virginia Public Procurement Act; professional and information technology project services contracts.

- [HB 2804](#) (Del. LaRock)

NVTC opposed HB 2804 which would have required state agencies contracting for professional and IT project services to include provisions in their contracts that would require contractors to install software to allow for the verification of the number of hours worked on a project using a computer.

The legislation was defeated 7-1 in the House General Laws Subcommittee #4

Block Chain

- [HB 1900](#) (Del. Davis)

HB 1900 would have established the Health Care Provider Credentials Data Solution Fund for the purpose of soliciting proofs of concept to establish or improve a system for the storage and accessing of health care provider credentials data, utilizing blockchain or a similar technology.

The legislation was defeated 5-2 in the House Appropriations Health and Human Resources Subcommittee.

- [HB 2415](#) (Glen Davis)

HB 2415 would have created a rebuttable presumption that a business record electronically registered on a blockchain is a self-authenticating document for certain facts. This bill was a recommendation of the Joint Commission on Technology and Science.

The legislation was defeated 7-1 in the House Courts of Justice Subcommittee #3.

Stay Connected with NVTC's Advocacy Team in Richmond

NVTC's public policy team is in Richmond for the duration of the session advocating for the needs of the Northern Virginia technology community and we welcome your feedback. Feel free to contact us at any time with questions, ideas or suggestions:

NVTC Vice President of Policy **Josh Levi** (jlevi@nvtc.org; 703-268-5140)

NVTC Director of Policy **Troy Murphy** (tmurphy@nvtc.org; 703-268-5135)

Weekly legislative conference calls with the NVTC advocacy team will continue for the remainder of the session through Friday, February 22. Please send an email to **Troy Murphy** (tmurphy@nvtc.org) if you would like to receive notice and call-in information for NVTC's weekly conference calls.

For more information about NVTC's advocacy efforts, please visit us online at www.nvtc.org/advocacy.