

Dear Virginians,

The past year has been one of the most challenging in our Commonwealth's history. The COVID-19 pandemic has devastated our communities and our economy, throwing hundreds of thousands of us out of work, shutting the doors of thousands of businesses, forcing our children to learn remotely, and most tragically, causing dire health consequences for over 400,000 Virginians who have fallen sick.

Alarmingly, our national response to this crisis has fallen well short of the measures needed to protect our families, keep small businesses afloat, and preserve jobs. As a result, more than 200,000 Virginians remain out of work,¹ while too many small businesses continue to struggle. And these challenges have not hit us all equally; while many of us have suffered, communities of color have too often borne the brunt of this economic pain. Roughly three in five Black and Latino families have lost income, while one in four Black families have reported food instability and one in three an unstable housing situation – all higher rates than the state at large.²

This status quo simply isn't working for everyday Virginians. This pandemic has exposed what was just beneath the surface: in one of the wealthiest states of the richest nation on earth too many working families don't have what they need to thrive. While the wealthiest Americans have made billions during this pandemic,³ many of the workers we call "essential" have been left behind.

We must do better here in Virginia. Our next governor must be ready to go on day one with a comprehensive plan in place to lead us out of this crisis and back to solid footing.

I know how important this mission is because I've lived the everyday struggle of economic insecurity. I grew up in Petersburg, a town that was left behind, in a community fighting every day just to get by. I was raised by my grandmother, and I still remember having to choose between paying for her medication or her mortgage. And I continued to see that struggle later on as a public defender and a foster mom.

That lifelong experience has driven my determination to get results for Virginians – fighting to expand Medicaid to roughly 500,000 Virginians as of December 2020⁴, raise the minimum wage, strengthen career and technical education, and expand opportunities for veteran-owned businesses.

By working together to implement effective policies that will save small businesses, create jobs, expand skills training, and lift Virginia families into economic stability, we can build a Commonwealth in which every one of us has an opportunity to thrive.

Sincerely,

Jennifer Carroll Foy

¹ "Virginia – Economy at a Glance, Bureau of Labor Statistics," last modified 1/15/2021.

² Kenya Hunter, "New study outlines how families of color in Virginia are affected by the pandemic," Richmond Times Dispatch, <u>12/14/2020.</u>

³ Robert Frank, "American billionaires got \$434 billion richer during the pandemic," CNBC, 5/21/2020.

⁴ Louise Norris, "Virginia and the ACA's Medicaid expansion," healthinsurance.org, 12/2/2020.

Building a Post COVID-19 Economy

FIX VIRGINIA'S BROKEN UNEMPLOYMENT INSURANCE SYSTEM

COVID-19 showed that the cracks in our unemployment system aren't just cracks — they're canyons. Throughout this pandemic, my Delegate office has helped numerous constituents access their unemployment benefits and escalated their concerns to the Virginia Employment Commission. We need to fix the issues plaguing our unemployment system so Virginians can get the benefits they need as soon as possible. These changes aren't just necessary in a post-COVID-19 economy — they're necessary long-term changes to ensure Virginia is more prepared to navigate future rises in unemployment claims.

The economic disruption of the COVID-19 pandemic pushed our Commonwealth's total unemployment number to over 218,000 people,⁵ which was almost twice the number of unemployed Virginians than the previous year.⁶ But the Virginia Employment Commission (VEC) simply couldn't keep up with this "massive, unprecedented increase" in applications for unemployment benefits, as local businesses and self-employed people had to either limit their hours or capacity or shut down completely.⁷ Women, and women of color, suffered disproportionately⁸ from this unemployment, with home healthcare workers, domestic workers, and those employed as independent contractors facing unfathomable suffering.

Months after the pandemic started, 80,000 Virginians who applied for unemployment benefits were still waiting to receive them.⁹ And Virginians whose benefits were delayed included some who were impacted most strongly by the pandemic: those who were out of work because they were "sick, under quarantine, or unable to work because schools are closed and they must care for children."¹⁰

The VEC was unprepared for the influx of phone calls and website filings it received, and the Commission was forced to move employees, hire new call center workers, and even contract with third-party providers to take calls from Virginians who were out of work.¹¹ But workers hoping to set up their claims still reported not being able to get through on the phone, waiting for hours on hold, or even getting disconnected.¹² In order to address these challenges, my administration will:

Improve administrative issues within the VEC to expedite arrival of needed benefits. Despite as
many as 80,000 Virginians waiting on benefits because of adjudication,¹³ as of November, the
VEC's adjudication staff had only increased by 27 employees since the pandemic started,
compared to an increase of hundreds of workers in call centers.¹⁴ We will fix the employee
backlog and technological issues in areas of the VEC where it's needed most so that tens of

⁵ Adrianna Hargrove, "Unemployment claim backlog swells to 70,000," NBC 12, 12/4/2020.

⁶ Adrianna Hargrove, "Unemployment claim backlog swells to 70,000," NBC 12, 12/4/2020.

⁷ John Reid Blackwell, "Many laid-off workers still not getting benefits; Virginia Employment Commission says it is working through massive surge in filings," Richmond Times-Dispatch, 6/11/2020.

⁸ Caroline Modarressy-Tehrani, "Women of color hardest hit by pandemic joblessness," NBC, 12/4/2020.

⁹ John Reid Blackwell, "Many laid-off workers still not getting benefits; Virginia Employment Commission says it is working through massive surge in filings," Richmond Times-Dispatch, 6/11/2020.

¹⁰ <u>Ned Oliver, "Virginia has paid out \$328M in unemployment benefits, but some workers are still waiting for checks," Virginia</u> <u>Mercury, 4/20/2020.</u>

¹¹ John Reid Blackwell, "Many laid-off workers still not getting benefits; Virginia Employment Commission says it is working through massive surge in filings," Richmond Times-Dispatch, 6/11/2020.

¹² John Reid Blackwell, "Many laid-off workers still not getting benefits; Virginia Employment Commission says it is working through massive surge in filings," Richmond Times-Dispatch, 6/11/2020.

¹³ John Reid Blackwell, "Many laid-off workers still not getting benefits; Virginia Employment Commission says it is working through massive surge in filings," Richmond Times-Dispatch, 6/11/2020.

¹⁴ <u>Ned Oliver, "Virginia ranks worst in nation for timely review of some unemployment claims," Virginia Mercury (The Daily Progress),</u> 11/2/2020.

thousands of Virginians aren't continuing to wait for the benefits they need. The COVID-19 pandemic has been a wake-up call for the federal government and the states due to outdated software and technology that could not keep up with increased unemployment claims. Investing now will not only help Virginians get the benefits they need urgently, but also if another crisis should arise in the future. When the state can process unemployment claims efficiently and without delay, hard-working families can stay afloat, and fewer will fall into debt, miss bill payments, and face foreclosure or eviction. As we have seen during COVID-19, when the system breaks down, it causes a devastating toll that's not only horrific for the Virginians affected, but bears an increasing cost to the state as more individuals end up on public assistance down the road or for longer than necessary.

- Implement automatic increases in funding for the VEC within a certain threshold. We must pass legislation putting in place automatic contingency plans so that whenever unemployment in Virginia rises to a particular level, there is a corresponding increase in VEC funding. Automatic increases will allow the VEC funding for the proper number of employees to be hired and the most efficient technology to be utilized to face the increase in claims. The state legislature can pre-approve these funding increases so that when Virginians need extra support, there's no delay.
- Properly fund Virginia's unemployment system to improve the condition of our overall welfare and economy. As we have learned through the pandemic, unemployment insurance is a lifeline for many Virginians during the most difficult times. Currently, Virginia's weekly maximum rate is \$378¹⁵. In Maryland, it's \$430¹⁶ and DC's is \$444¹⁷. Massachusetts's weekly rate is \$855¹⁸. We must bring the rate up at least to meet the regional average.

ASSEMBLE A REBUILDING VIRGINIA TASK FORCE WITH VOICES FROM ALL VIRGINIANS, INCLUDING THOSE HISTORICALLY IGNORED AND NEGLECTED

We must be aggressive, creative, and relentless in getting our economy back on track and building an even stronger Virginia in the wake of the COVID-19 pandemic. In direct response to small businesses' struggles, as a candidate for Governor, I launched the Rebuilding Virginia Economic Council, bringing together business leaders and small business owners to provide policy recommendations to jump start our economy and ensure its durability once the pandemic has passed. The Council represents a diverse array of industries across Virginia and incorporates perspectives from all corners of the Commonwealth. In order to further these efforts, my administration will launch a new task force that will:

• Develop evidence-based solutions aimed towards economic recovery. As Governor, to focus and streamline this effort, we'll create a Rebuilding Virginia Task Force charged with gathering and evaluating ideas and data to determine the best path forward to get all our businesses operating at full speed. This task force will include not only economic experts, but representatives from the small business community and labor unions in all areas of the Commonwealth, including woman-owned small businesses and those owned by Virginians of color and immigrants whose voices are often left out. And one of its principal duties will be gathering as much information as possible from Virginians to incorporate their feedback in our economic recovery through surveys of workers in all industries, including those often neglected and ignored like home healthcare workers, nannies, domestic workers, and construction workers – not just business owners.

¹⁶ Scott Dance, "Here's what you need to know if you get laid off in Maryland during coronavirus pandemic," Baltimore Sun, <u>4/24/2020.</u>

¹⁵ Virginia Unemployment Commission, "Q&A on Claims Related to Coronavirus," last accessed 1/25/2021.

¹⁷ <u>DC Dept. of Employment Services, "Changes to the District of Columbia Unemployment Insurance Program," last accessed</u> <u>1/25/2021.</u>

¹⁸ Department of Unemployment Assistance, "How your unemployment benefits are determined," mass.gov, last accessed 1/25/2021.

• **Put thoughts into actions.** The Task Force will review all data gathered and work with the relevant areas of the Commonwealth's government to put the best ideas into practice, spearheading their integration across divisions or agencies when needed, so we can get all recovery programs moving as quickly and efficiently as possible.

PROTECT AND PROMOTE SMALL BUSINESSES, THE HEART OF VIRGINIA'S ECONOMY

As we recover from the economic devastation wrought by the COVID-19 pandemic, we must ensure that our small businesses are not left behind. Small businesses are the heart of the Virginia economy. But during my time as Delegate, I met with small business owners who expressed their concern about being able to get the loans and capital they need to survive, grow, and thrive. When crisis strikes, large corporations — which often carry or have access to significant cash reserves — are much better able to weather the challenges than the small business community, which frequently operates on low margins and with much smaller reserves, proportionally. As a result, small businesses are particularly vulnerable to being crowded out by large companies in the recovery period following an economic crisis. During the Great Recession, more than 70 percent of job losses came from small businesses in both the Northern Virginia and Norfolk-Virginia Beach-Hampton Roads regions, and it took those businesses much longer to recover when the economy improved.¹⁹

Virginia has long prided itself as being a great Commonwealth for small businesses to grow and thrive. My administration will always build on that legacy to ensure that Virginia companies continue to innovate, lead, and serve as a robust source of job growth. They will be supported by the state government in that mission. As Delegate, I passed legislation providing veteran-owned small businesses greater access to resources and leveled the playing field for small, minority-owned businesses to procure contracts with regulated utility companies for goods and services.

Small businesses are not only the backbones of our cities, towns, and communities, but they are owned and operated by Virginians — many across generations. We cannot let these institutions wither, and they must be a priority of our economic response to this pandemic and beyond. As Governor, I will:

- Strengthen small business access to capital. We must start by protecting and expanding Virginia's version of the Angel Investor Tax credit to encompass more small businesses. Currently, the Qualified Equity and Subordinated Debt Investments Credit allows investors to receive an income tax credit of 50 percent of qualifying investments made in Virginia companies with gross revenues of less than \$3 million in certain technology-related fields, with a maximum allowable credit of up to \$50,000.²⁰ Currently, this credit is principally aimed at tech startups, but to jumpstart our small business recovery, we can expand it to cover a much wider range of small businesses, including restaurants, manufacturing businesses, and more. This will incentivize private capital to flow to small businesses that need it, allowing them to ramp up operations as the economy and COVID-19 restrictions ease, including expanding hiring and creating new jobs. My administration will allocate \$4 million per year to fund this initiative. We must also look at ways we can use the levers of state government to ensure the capital needs of small businesses are met. Banks and financial entities wanting to do business in Virginia should also be required to devote a certain proportion of their resources to angel investments, increase the percentage of funds invested by state pension programs that are going to angel investments, and direct more of those funds to small businesses in Virginia.
- Ensure our small businesses have the PPE to reopen safely and confidently through targeted tax credits on PPE purchases. The daily stress of keeping a small business afloat while keeping

¹⁹ Sifan Liu and Joseph Parilla, "What the Great Recession can tell us about the COVID-19 small business crisis," Brookings, <u>3/25/2020.</u>

²⁰ "Business Development Credits," Virginia Department of Taxation, Accessed 12/30/2020.

employees and customers safe is perhaps the largest burden small business owners face at this time. Throughout this pandemic, Virginia small businesses have been burdened with significant costs and difficulties as they've worked to keep their employees and customers safe. It's our job to help them afford the protective gear and equipment they need as best as possible. This is not only a matter of keeping our small businesses alive — it's equally important as a public health priority. We must establish a tax credit for the "purchase of personal protective equipment (PPE) by small businesses, certain 501(c)(3) non-profits, veteran's organizations, and other organizations identified by the Administration."²¹ We will invest \$5 million in service of that effort. My administration will also support public-private partnerships between localities and nonprofits to provide business incubators and services to small businesses, startup companies, and entrepreneurs and invest state funding to offset costs to maintain COVID-19 safety and health standards.

- **Provide small businesses with the resources they need to grow.** The COVID-19 pandemic has been difficult on businesses not only in terms of their bottom line, but also operationally as they have taken on a host of new safety measures that are necessary for public health, but are far from businesses' expertise. Restaurants have had to worry as much or more about physical distancing and virus suppression measures as the food they cook, while retail operations and office-focused businesses have had to devote considerable resources to keeping customers and employees safe and well stocked with protective gear and equipment. The vast majority of our businesses have been an inspiring model of resilience and perseverance throughout this pandemic. But, we must ensure that our businesses always have a leg up. Initiatives like the Virginia Small Business Development Center Network offer counseling services and business training at no-cost to small business owners and entrepreneurs.²² It targets assistance to in-demand industries. My administration will invest an additional \$50,000 annually to grow these efforts and will look at developing and expanding similar programs.
- Support small, women-owned and minority-owned (SWaM) businesses. It is critical we apply an equity lens as well to ensure that small businesses that have historically found the deck stacked against them such as those owned by people of color or women have an equal shot. Through an executive order, my administration will increase the Commonwealth's discretionary spending for buying goods and services from SWaM businesses to a historic high of 45 percent. The Commonwealth has only hit their SWaM goal two out of the almost 20 years that the program has been in place, and we will put in place measures to actually meet these goals. Additionally, to promote economic justice and a more equitable procurement process, I will direct state agencies to review contractor procurement evaluation criteria to eliminate barriers to SWaM participation. We'll also create, grow and support initiatives to increase: (1) access to capital for SWaM businesses (2) data collection on SWAM businesses in order to identify the best ways to increase procurement, (3) assistance and mentorship programs.²³
- Expedite SWaM Certification with Department of Supplier Diversity. From my conversations with minority- and women-owned businesses, I have become aware of the lag time between applying and becoming a certified SWaM business with the Department of Supplier Diversity, which can take several months when there is an increase in applications. My administration will work to streamline this process to ensure more SWaM businesses are being quickly certified by increasing funding for the Department and conducting a study to analyze where efficiencies can be created.
- Improve Small Business Access to Crucial Recovery Information. Providing emergency resources means little if small businesses have no way to access services and information

²¹ "4-14 #1h: Tax Credit for PPE Purchased by Small Business and Other Organizations," LIS State Budget, Accessed 12/30/2020.

²² "Backgrounder," Virginia SBDC, Accessed 12/30/2020.

²³ "Blue Book Archives," Accessed 1/25/20.

necessary to receive that aid. My administration will continue to direct federal and state funding to the Rebuild VA Economic Recovery Fund to support small businesses and nonprofit groups impacted by the COVID-19 pandemic. To ensure participation and transparency, the Department of Small Business and Supplier Diversity will coordinate with localities to supply program information and updates to registered small businesses through proactive, on-the-ground outreach rooted in the community. While cost may vary depending on federal support, my administration will invest \$10 million dollars annually. Additionally, we will work with the Department of Small Business and Supplier Diversity to study ways to improve Virginia's Business One Stop portal.²⁴ The SBSD will then develop research-based strategies to further integrate web services by other agency systems and improve user experience.

• Create a Microloans for Veterans Program (MVP). I believe in helping Virginia veteran entrepreneurs establish businesses in the Commonwealth. One of the greatest obstacles for small businesses is a lack of access to capital and resources which is why, as a Delegate, I passed legislation to permit service disabled veteran-owned businesses to be able to obtain business supplies and resources from the Commonwealth. The MVP initiative will add to the New Virginia Economy while supporting veteran-owned small businesses²⁵. The loan will have an education and mentorship requirement and will be administered by Virginia Small Business Financing Authority. This is a recommendation by the Joint Leadership Council of Veterans Service Organizations. My administration will invest \$1 million dollars annually.

BUILD A WORLD-CLASS WORKFORCE

Virginia's growth is influenced by its economic competitiveness. With a skilled and well-educated workforce, a wealth of geographic and infrastructure assets, an attractive, stable business climate, and a tradition of effective governance, the Commonwealth has long been considered a great place for business. But we can do better, and we must. My administration will:

- Increase funding for K-12 education. My administration will fund our K-12 education system by restructuring the Standards of Quality funding formulas to ensure that schools are getting the resources they need to provide a world-class education for all children. As a product of Petersburg's school system, I intimately understand the need to support our at-risk children and ensure that a child's zip code does not determine his or her destiny. I'll also invest in more opportunities for English language learners and immigrant children. Limiting the obstacles our children face in reaching their academic potential ensures that every child, regardless of their circumstances or location, has the opportunity to achieve in the future.
- Invest in training the next generation of high-tech workers from diverse backgrounds. As Delegate, I worked with CODE-VA to pass legislation helping teachers acquire the micro-credentials they need to teach coding and helping English-language learners have more opportunities to take coding classes. As Governor, I will double down on these efforts to ensure that students from all backgrounds especially women, English-language learners and Black and Brown students have access to computer coding education. I will ensure teachers have the training and resources needed to teach coding courses and push the Department of Education to continue to integrate technology and coding into course curriculum.
- Continue to support training programs to grow the number of skilled workers. As Delegate, by leveraging recommendations from Virginians on my Rebuilding Economic Council, I introduced budget amendments to the state budget to expand two key workforce development programs operated by the Virginia Economic Development Partnership: the Virginia Jobs Investment

²⁴ "About Business One Stop," Business One Stop, Accessed 12/30/2020.

²⁵ "Microloans for Veterans Program (MVP)," Joint Leadership Council of Veterans Service Organizations, Accessed 12/30/2020.

Program and the Virginia Talent Accelerator Program. These programs are designed to prepare new and transitioning workers to be competitive in today's global economy. In 2019, I supported the creation of the Tech Talent Pipeline, a program that partners with universities in Virginia to grow their computer science programs. Because of these investments, the Commonwealth is poised to add record numbers of computer science graduates to our already skilled workforce. In addition to other programs like the Commonwealth Cyber Initiative, these innovations improve our economic development national standing, which is dependent upon our ability to continue to build successful world-class, custom workforce recruitment and training programs. As Governor, I will continue to expand the Virginia Talent Accelerator Program in FY22 if the total investment slips below \$9.7 million that year and would allocate additional funds when needed in the future to support large projects. Additionally, assuming Governor Northam's proposed budget passes as proposed for FY22 with increases to the Virginia Jobs Investment Program, I would allocate an additional \$500,000 per year on top of that to bring the total yearly investment to \$5.2 million per year.

- Grow the field of professionals working with alternative energy resources. The Commonwealth is headed towards a greener future, and Virginia workers have the privilege of being able to capitalize on this growing industry. As Governor, I will direct funding to the Solar Hands-On Instructional Network of Excellence (SHINE)²⁶ and other environmental programs to expand education and training opportunities for workers interested in solar careers. To that effect, we will allocate an additional \$2 million annually to ensure these programs maximize job creation amidst Virginia's transition to a clean energy economy. Additionally, I will work with Virginia's community colleges to secure the capital needed to fund workforce development credits on a full-time equivalency basis, with a focus on solar and offshore wind workforce programs.
- Make sure every Virginian has the resources necessary for advancement in their field. Programs like Governor Northam's "Get Skilled, Get a Job, Give Back" initiative, or "G3" program²⁷ provide extra financial assistance to low and middle income Virginians who seek training in high demand fields of healthcare, early childhood education, information technology and computer science. I understand the financial realities that working families face. My administration will continue to allocate \$73 million to the G3 program in FY22. Additionally, I will work to significantly expand the Virginia Values Veterans (V3) Program²⁸, which helps employers "understand, design, and implement nationally recognized best practices in recruiting, hiring, and retaining veterans."29 I am committed to a hiring goal of 25,000 Virginia military veterans hired through the V3 program by the end of my administration, along with continued support of Virginia's Troops to Energy program. As Governor, I will continue to invest in creating the most skilled workforce of the 21st century.
- Fund professional development opportunities for workers typically left out. All workers deserve the opportunity to grow in their professional careers, but sadly, these opportunities have long been reserved for those at the top of the income distribution. Women and minorities have long been left out. My administration will make it a priority to ensure home healthcare workers, nannies, house cleaners, and other domestic workers, among other professions, get opportunities to grow professionally. Vice President Kamala Harris proposed a national Domestic Workers Bill of Rights when she was a Senator that includes language for new domestic worker training program grants and a study of long-term career development and training standards for the domestic workforce. We must make that a reality here in Virginia. We must pass legislation that

²⁶ <u>"Prospective Students: Build Your Solar Career," SHINE, Accessed 12/15/2020.</u>

²⁷ "Governor Northam Unveils Tuition-Free Community College Program for Low- and Middle-Income Students," Accessed 12/13/2020. ²⁸ "Virginia Values Program," Virginia Department of Veteran Services, Accessed 12/15/2020.

²⁹ "Commissioner's Fiscal Year 2015 Annual Report To Governor Terence R. Mcauliffe And The Virginia General Assembly," Virginia Department of Veterans Services COMMISSIONER'S FY15 ANNUAL REPORT, Accessed 1/25/2021.

would require employers of domestic work to fund some of these career development programs as well.

- Bolster public awareness of union apprenticeship programs in the skilled trades. The COVID-19 pandemic has left too many people in our Commonwealth out of work,³⁰ and we must prioritize getting Virginians back on the job during our economic recovery. One tool that can get Virginians on the path to stable, high-paying employment is union apprenticeship programs. Apprenticeship programs combine on-the-job training and job-related instruction en route to nationally recognized credentials in a model that benefits both apprentices and employers,³¹ and apprentices receive a paycheck from their first day on the job that increases with their skill level.³² According to the U.S. Department of Labor, the average wage for a fully-proficient worker who completes an apprenticeship is \$50,000 per year, and apprentices who finish their program earn about \$300,000 more during their career than non-apprenticeship workers.³³ Apprenticeships provide opportunities for long-term employment, since 91 percent of apprentices stay on the job after their program ends.³⁴ The employers that sponsor apprenticeships also benefit greatly from these programs, since they help create highly-skilled employees, "reduce turnover rates, increase productivity, and lower the cost of recruitment."35 Not all Virginians want to go to a four-year college, and Virginia needs a skilled workforce of electricians, pipefitters, carpenters, steamfitters, and railroad workers to keep our Commonwealth running. From my conversations with multiple apprentices and journeymen, I know that many Virginians unfortunately do not know about these apprenticeships, and many high schools do not tout them. My administration will set aside funds to create a public awareness campaign to make the availability of union apprenticeships more visible to Virginians who may want to apply by working with high-school career counselors.
- Create more union apprenticeships by improving the prevailing wage law. In 2020, I passed a bill to institute a prevailing wage on state-funded construction projects. It was a good start towards leveling the playing field for union contractors competing for contracts, enabling them to increase the number of union apprenticeship slots available. My administration will continue to strengthen this law by ensuring that the prevailing wage rates are set fairly and updated with inflation and that our state agencies have enough capacity to enforce the law.

BUILD AN INFRASTRUCTURE FOR BUSINESSES THAT SUPPLY FAMILY-SUSTAINING JOBS TO PROSPER

The economic disruption of the COVID-19 pandemic pushed our state's total unemployment number to over 218,000 people,³⁶ which was almost twice the number of unemployed Virginians than the previous year.³⁷ It's hard to convey the level of despair from these numbers. In addition to making structural changes, my administration will focus on immediate measures to boost job growth. My administration will:

³⁰ "Virginia's Seasonally Adjusted Unemployment Rate Decreased to 4.9 Percent in November," Virginia Employment Commission Release, 12/18/2020.

³¹ <u>"Frequently Asked Questions," Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy, U.S. Dept., of Labor, Accessed 1/11/2020.</u>

³² "Frequently Asked Questions," Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy, U.S. Dept., of Labor, Accessed 1/11/2020.
³³ "Frequently Asked Questions," Apprenticeship Toolkit, the state of the st

³³ "Frequently Asked Questions," Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy, U.S. Dept., of Labor, Accessed 1/11/2020.

³⁴ "Frequently Asked Questions," Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy, U.S. Dept., of Labor, Accessed 1/11/2020.

³⁵ "Frequently Asked Questions," Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy, U.S. Dept., of Labor, Accessed 1/11/2020.

³⁶ Adrianna Hargrove, "Unemployment claim backlog swells to 70,000," NBC 12, 12/4/2020.

³⁷ Adrianna Hargrove, "Unemployment claim backlog swells to 70,000," NBC 12, 12/4/2020.

- Expedite economic development projects. The lack of shovel-ready sites is one of the main reasons why Virginia loses many economic development project opportunities. Virginia often loses manufacturing projects because it lacks a portfolio of development-ready sites. If we are serious about bringing economic opportunity to rural and distressed areas, including data and supply centers, we must look at reforms. My administration will assemble an extensive, strategic portfolio of project-ready sites across the Commonwealth. To do this, we will work with VEDP and others to implement an expedited permitting program for employers who bring family sustaining jobs to Virginia, while focusing specifically on building more attractive sites in rural Virginia and small metro areas. In service of this effort, we will provide roughly \$10-20 million in additional funding to an expanded Virginia Business Ready Sites Program,³⁸ though we will require a local matching requirement to ensure community buy-in and slow the pace of state government investment.
- Expand access to the internet. Amidst the COVID-19 pandemic, we have been forced to face the realities of living without dependable access to the internet, something rural Virginians have been facing for years. By expanding broadband internet access, we can expand access to services like telemedicine, virtual learning, and telework for rural and Southwest Virginians. The broadband bill I passed in 2020, with bi-partisan support, addressed a major issue regarding the deployment of broadband but more needs to be done. This is why my administration will provide additional funds to the Virginia Telecommunications Initiative (VATI) to ensure thousands of Virginians currently unserved by any broadband provider will have access to high speed internet. Expansion of broadband is imperative to recruit and retain businesses not just in rural and Southwest Virginia but even in counties like Loudoun and Prince William. We will also work to eliminate unnecessary barriers that prevent municipal authorities and electric cooperatives from deploying broadband to underserved communities and regions. Consequently, this funding will work to improve agriculture and farm operations in Virginia by expanding broadband to help modernize our farms, invest in smart-farming and precision agriculture.
- **Promote opportunities in rural and Southwest Virginia.** In addition to the lack of broadband internet access, rural Virginians often lack access to crucial services and expanded professional opportunities. In order to address the critical shortages of healthcare providers in our rural areas, my administration will direct state funding to colleges and universities in Southwest Virginia, and we will invest \$2 million over the next two years for the development of a Family Nurse Practitioner program at UVA-Wise.
- Invest in innovation. As Governor, I will expand the Major Research and Development Tax Credit³⁹ to spur more investments in the development of new products and improvements in cutting edge technologies, while also working to expand research and development programs by strengthening partnerships between U.Va., Virginia Tech, Virginia State University, and Norfolk State University, and more. When the government invests in new ideas, it can result in profitable enterprises. Innovation will drive significant economic growth creating a thriving climate for the Commonwealth.
- Market Virginia to attract new business. My administration will never be shy about touting Virginia as the best place in the nation to do business. We will develop a program to engage the business community in economic development marketing and recruitment efforts. This initiative, modeled after Georgia Allies, would leverage resources between the state government and private corporations to retain and recruit businesses. And we will provide additional funds for an economic development marketing program for VEDP's deployment while developing a coordinated marketing campaign for innovation and entrepreneurship. In addition, my

³⁸ "Virginia Business Ready Sites Program (VBRSP)," Virginia Economic Development Partnership, Accessed 1/25/21.
³⁹ "Major Research and Development Expenses Tax Credit Guidelines," Virginia Department of Taxation, Accessed 1/24/2021.

administration will strive to attract international business ventures by increasing funding to VEDP's International Trade programs in order to ensure that Virginia businesses are successfully able to enter overseas markets, generating new wealth for the Commonwealth's economy.

- Improve Business Retention Tactics to keep Virginia's economy strong. As Governor, I will continue to support existing business partnerships by investing state funding to grow Virginia's business retention staff. Since most job losses come from existing fields, Virginia must improve our outreach to existing businesses to understand the challenges businesses face that could lead to closure or departure from Virginia.
- Invest in clean energy infrastructure to create new clean energy jobs. My administration will invest \$3 million to spearhead a tax credit for commercial buildings that go green, including nonresidential buildings or interior buildings and eligible retrofitted entities. Additionally, I will continue to provide funding for green renovations to existing government buildings, roadways, and bridges. Additionally, I will work to pass legislation requiring all new state buildings to be certified LEED silver or higher. These types of retrofitting and clean construction projects will create jobs for Virginians in every region of the Commonwealth. These projects should use union labor, thus ensuring that they are creating family-sustaining jobs.
- **Crack down on worker misclassification.** New jobs in the technology, home healthcare, construction, and domestic work industries have the potential to create thousands of new jobs as these industries continue to grow. With a rapidly aging population, the home health care industry is growing quickly.⁴⁰ However, too many of the workers in these rapidly growing industries are misclassified as independent contractors, which prevents them from receiving benefits and family-sustaining wages that contribute to strong communities. As Governor, I will work to pass legislation that ensures no company misclassifies their workers as independent contractors. Workers should only be classified as an independent contractor if they are "free from control and direction by the hiring company," "perform work outside the usual course of business of the hiring entity," and are "independently established in that trade, occupation, or business."⁴¹ Otherwise, these workers should be categorized as what they are: employees. Additionally, I will support federal legislation to adopt a portable benefits model for independent workers and create a workgroup to collect data on Virginia's gig economy and their impact on labor markets.
- Create jobs in the manufacturing industry. We must continue to support grants for small and CCAM manufacturing businesses who create family-sustaining job centers in the Commonwealth and invest resources in research and development efforts. Working with the VEDP, I will encourage collaboration with surrounding states on economic development projects of shared interest and ensure effective measures against fraud and low performance results.
- **Promote programs aimed at diversifying Virginia's economy.** Due to our proximity to Washington D.C., our Commonwealth has been historically dependent upon federal spending, which leaves Virginians vulnerable to events leading to economic downturns, such as the COVID-19 pandemic. My administration will promote and advance programs like The Virginia Initiative for Growth & Opportunity (GO Virginia)⁴², which awards grants based on population for regional and statewide projects. These projects foster collaboration among business, education, and government, to effectively expand economic development in key regional priorities that further economic, workforce, and community development. We will also capitalize on the Virginia International Gateway to spread economic benefits across the state and promote the Port of Virginia Economic and Infrastructure Development Grant to attract new maritime-related employment centers to the Port of Virginia.

⁴¹ "AB-5 Worker status: employees and independent contractors," California Legislative Information, Accessed 1/20/20.

⁴⁰ "Employment Projections: Fastest Growing Occupations," U.S. Bureau of Labor Statistics, Accessed 1/24/21.

⁴² "GO Virginia," Accessed 1/24/21.

CONCLUSION

The mission of my administration will be to not only jumpstart our economic recovery from the COVID-19 pandemic, but to drive onward to build a more equitable Virginia in which opportunity is available to all. We'll fix our broken unemployment system to immediately get help to the Virginians that desperately need it, faster. We'll boost small businesses by strengthening their access to capital and spurring private investment, making it easier for them to secure the protective gear they need to operate, and investing in women and minority-owned businesses. And we'll boost union apprenticeship programs so that more Virginians have access to skills training that can lead to a solid career and a secure paycheck.

One thing I know for sure is that the choice between strong economic growth and job protections and high wages is a false choice. Virginia can be the best place in the country to do business, while also the best place in the country to live, work, and raise a family with a family-sustaining job. I know how to make that a reality. As Delegate, I was awarded the Virginia Chamber of Commerce's 2018 Champion of Enterprise Award, and in 2020, I was named 2020 Policymaker of the Year by the Virginia Association for Career and Technical Education for my work passing bipartisan workforce development legislation that helps to give students the skills they need to be successful in the 21st century economy. I have fought as a legislator to help Virginia maintain our AAA bond rating, increase our rainy day fund, achieve the lowest unemployment rate in recent history⁴³, and attain the recognition by CNBC as the number one state in the nation for business.⁴⁴ Simultaneously, I have passed legislation creating a prevailing wage on state-funded contracts, worked to repeal the ban on Project Labor Agreements on state projects, and passed legislation cracking down on wage theft. Because of these efforts, I have received crucial early endorsements from the United Brotherhood of Carpenters and IBEW Local 26.

Together, we can reshape the status-quo, create a successful post-COVID-19 economy, and build a Virginia that truly works for everyone.

⁴³ Kelly Booth, "Virginia's unemployment rate is lowest in over 18 years, WHSV 3, Accessed 1/20/20.

⁴⁴ "Top States 2019: Overall Ranking," CNBC, Last Modified 5/22/2020.