

Fairfax County Recommendations

State Action to Mitigate Potential Federal Impacts

Health and Human Services Recommendations

While emphasizing this is still early in the determination of impacts upon Fairfax residents and much remains uncertain, the following mitigation strategies were put in place by the State during the COVID-19 pandemic to address economic impacts. The success of these efforts is therefore tested and would likely provide similar outcomes in this situation, if implemented.

Child Care Subsidy

Recommendation: Temporarily increase paid absences to 180 days, a policy that was put in place during the pandemic to support child-care providers. Currently, child-care subsidy rates are based on daily attendance and provide a maximum of 60 days a year that children can be absent. Child-care providers may see an increase in absences due to federal impacts, which could threaten their sustainability.

Recommendation: Given the anticipated federal workforce reductions, delay implementation of the 90-day limit for job search as a qualifying activity. Currently, the eligibility criteria for a child-care subsidy includes job search as a qualifying activity for 12 months. However, starting in FY 2026, job search will be limited to 90 days with a possible extension.

Housing Assistance

Recommendation: Establish a housing assistance fund for homeowners and renters who lose their jobs due to federal actions (agency reductions-in-force, reductions/elimination in federal funding or contracts). This will ensure that community members maintain their housing and will prevent evictions and foreclosures.

Utility Assistance

Recommendation: Implement a temporary moratorium to prevent utility companies from shutting off service due to nonpayment for homeowners and renters who lose their jobs due to federal actions (agency reductions-in-force, reductions/elimination in federal funding or contracts).

Recommendation: Establish a utility assistance program for impacted residents.

Support for Community-Based Organizations

Community-based organizations are an essential component to health and human services delivery and the anticipated impact of federal actions may reduce their revenue, as well as create capacity constraints due to increased community needs.

Recommendation: Establish a state stabilization fund to assist community-based organizations facing financial difficulties due to: 1) possible reduction/elimination in direct federal funding; and, 2) unexpected higher demand for services due to federal actions (agency reductions-in-force, reductions/elimination in federal funding or contracts).

Economic Development Recommendations

Proposed economic development initiatives are a result of regional economic analysis and strategies, ongoing business intelligence, and direct input from private sector businesses including a Fairfax County business survey, members of the Fairfax County Council for Economic Opportunity and corporate leaders across key sectors. The recommendations build upon our unique assets and aim to ensure Northern Virginia retains the most competitive parts of our economy, help dislocated workers transition into promising careers, and cultivate private sector innovation.

Mitigate

Help dislocated workers connect with and succeed in private sector positions

Background: The swift, significant, and ongoing reductions in the federal sector present a major economic challenge to Northern Virginia. Dislocated federal workers and contractors will seek jobs in the private sector, but there may not be a 1:1 match between their skills and the immediate needs of employers.

Recommendation: Expand the Talent Up program; a proven and flexible program that can retain employees in the region by supporting workers' transition to jobs available in Northern Virginia. Talent Up incentivizes employers to expand their talent pools by funding wages and worker's compensation for paid internships customized to their business needs. For career switchers, Talent Up internships can provide immediate career transition work experience, potentially leading to new permanent employment. Talent Up leverages Virginia's public workforce system and the resources that are available to Virginia jobseekers. Support should include expanded training for skills transition.

Adapt

Targeted incentives to keep and grow R&D and innovative firms

Background: Competing regions are challenging Northern Virginia's position, and Virginia's role, in the most competitive tech industry clusters.

Recommendation: Encourage R&D and commercialization efforts by local and prospective firms in leading-edge technologies through providing highly targeted and impactful incentives to companies meeting defined criteria. Priority would go to support identified target industries like commercial space and transformative innovation enablers, such as Artificial Intelligence (AI), Machine Learning, supercomputing, and preparation for quantum advantage computing, including the cloud computing infrastructure that supports these technologies. Also increased support for headquarters and business facilities for fast-growing technology sectors.

Transform

Support and connect cutting-edge technologies to local tech adopters

Background: Northern Virginia is home to a significant concentration of emerging technology first adopters and second adopters, which creates a rich market for tech companies to start or locate in the region. However, much of the cutting-edge technology created by local startups does not reach wide commercialization because firms are not able to secure contracts and scale after initial development (for example, post-SBIR/STTR). This risk is greater in the current economic environment.

Recommendation: Establish a Center to expedite the deep tech commercialization process and solidify Northern Virginia as a global competitor in sectors such as commercial space and quantum. Programs would move startups with validated technologies towards maturation through convening specialized professional services, mentors, integrators and investors, and connecting with technology adopters. As a result, advanced tech and startups will stay and scale in Virginia.