



*Commonwealth of Virginia
Office of the Governor*

Executive Order

NUMBER FIVE (2026)

ESTABLISHING AN ECONOMIC RESILIENCY TASK FORCE TO ADDRESS IMPACTS OF FEDERAL ACTIONS ON VIRGINIA'S ECONOMY AND WORKFORCE

By virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and under the laws of the Commonwealth, including, but not limited to, §§ 2.2-103 and 2.2-110 of the Code of Virginia, I hereby establish the Economic Resiliency Task Force to address the impacts of federal actions on Virginia's economy, workforce, and finances, and direct the Secretaries and executive branch agencies to address impacts from the One Big Beautiful Bill Act, promote job opportunities for fired federal employees and contractors, and expand Virginia agricultural exports.

Importance of the Initiative

Federal actions impacting workers, families, and businesses could lead to a slowdown of Virginia's economic growth. According to the September 2025 report issued by the House of Delegates' Emergency Committee on the Impacts of Federal Workforce and Funding Reductions, approximately 24% of Virginia's economy is dependent on federal spending. Virginia's businesses and households are also impacted by federal decisions related to tariffs and immigration.

The federal government is a major employer in Virginia, making it among the states with the largest federal workforce. In 2025, the Commonwealth experienced a significant reduction in federal jobs – with estimates showing a drop of more than 20,000 positions – directly affecting these workers and their families.

Moreover, Virginia supports the federal government through significant contracting work and is the state with the most federal contract spending per capita. Changing priorities in federal contract spending could also impact employment in the state.

Haphazard federal trade policy and higher tariffs have created economic disruption across the Commonwealth as well. The Port of Virginia, a critical economic engine, recorded an 8.1% year-over-year drop in cargo volume as of December 2025, signaling weaker trade activity. These disruptions have reduced exports that support tens of thousands of Virginia jobs, harmed farmers in rural areas, increased costs for businesses, and acted as a tax on Virginians, raising prices and exacerbating affordability issues.

Cuts to Medicaid and the Supplemental Nutrition Assistance Program (“SNAP”) will harm Virginia families and their ability to learn and fully participate in our economy. These programs help families afford food and access health care they otherwise cannot afford, yet the federal government is making it more challenging for people to qualify for benefits and shifting the financial burden on to the states. An estimated 310,000 Virginians could lose health care coverage and leave many families and children hungry.

Immigrants play an important role in Virginia’s economy, working in sectors from agriculture to child care to technology and paying hundreds of millions of dollars in state and local taxes each year. However, recent federal immigration actions, such as increasing H1-B visa fees for employers seeking to hire foreign workers with specialized expertise, risk harming Virginia businesses, ultimately impacting the Commonwealth’s broader economy.

Directive

Pursuant to the authority vested in me as the Chief Executive Officer of the Commonwealth, and pursuant to Article V of the Constitution of Virginia and the laws of the Commonwealth, I hereby direct the following actions.

Establish the Economic Resiliency Task Force

I hereby establish the Economic Resiliency Task Force to address the impacts resulting from federal job losses, contractor disruptions, federal funding cuts and delays, federal tariffs, and immigration on Virginia’s economy and its workforce. The Secretary of Commerce and Trade shall be the Chair of the Task Force. The Task Force shall include the Secretary of Finance, the Secretary of Labor, the Secretary of Administration, the Secretary of Health and Human Resources, the Secretary of Agriculture, the Secretary of Education, or their designees, as well as other relevant executive branch agencies in the discretion of the Chair.

As part of the duties of the Task Force, the Secretary of Finance is directed to create a tracker for federal rescissions across state government in order to understand the full harm for calendar year 2025 and projected harm for calendar year 2026. This report shall be due within 90 days of the effective date of this Executive Order.

The Task Force shall deliver an action plan to the Office of the Governor by June 1, 2026. The Task Force’s action plan shall include recommendations to mitigate the harm and projected harm from federal rescissions identified by the Secretary of Finance’s report, as well as additional recommendations for long-term strategies to enhance Virginia’s economic resiliency.

All executive branch agencies shall provide support, upon request, to the Task Force to advance the development of strategies and their implementation.

Addressing the Impact of the One Big Beautiful Bill Act on Medicaid and SNAP in Virginia

The Secretary of Health and Human Resources, in coordination with the Secretary of Administration, the Secretary of Finance, Secretary of Labor, and the Secretary of Education, shall form a cross-Secretariat working group on the implementation of new and updated work requirements in the Medicaid and SNAP program, as required by the *One Big Beautiful Bill Act*.

The cross-Secretariat working group shall develop a *One Big Beautiful Bill Act* implementation strategy with the goal of maintaining access to Medicaid and SNAP for Virginians who remain eligible for these services, while ensuring compliance with federal requirements.

The working group will first conduct a readiness assessment of relevant executive branch agencies to determine the current status of readiness to implement Medicaid work requirements.

The cross-Secretariat working group shall then develop and recommend strategies that ensure compliance with work requirements, based on the readiness assessment, that maximize exemptions and good-cause provisions; stabilize the eligibility workforce; modernize systems to improve accuracy and improve the customer experience; and publish transparent performance metrics.

The working group shall deliver a report on the results of the readiness assessment and subsequent recommendations to the Office of the Governor within 60 days of the effective date of this Executive Order.

Promoting Job Opportunities for Fired Federal Employees and Contractors

I hereby direct Virginia Works to coordinate with the Virginia Employment Commission, the Secretary of Commerce and Trade, and the Virginia Office of Education Economics to develop and report to the Office of the Governor within 90 days of the effective date of this Executive Order on innovative, data-driven approaches to expanding job opportunities for the tens of thousands of dedicated and experienced federal employees who live in Virginia, including through the creation of skills alignment, retraining, and job connector tools.

Virginia Works shall identify potential partnerships with the private sector that would allow the private sector to readily engage with the Virginia workforce that has demonstrated their commitment to public service. Virginia Works is directed to facilitate public-private partnerships that result in the placement of Virginia workers in new jobs with private entities. Virginia Works shall submit a report to the Office of the Governor within 60 days of the effective date of this Executive Order that identifies any legislative or regulatory changes necessary to enter into such public-private partnerships or where such changes would materially increase the number of placements.

Increasing Exports of Virginia Agricultural and Forestry Products

I hereby direct the Department of Agriculture and Consumer Services to collaborate with the Virginia Economic Development Partnership and the Port of Virginia on strategies to grow Virginia agricultural and forestry exports. The Department of Agriculture and Consumer Services, in consultation with the Virginia Economic Development Partnership and the Port of Virginia, shall submit a report to the Office of the Governor within 90 days of the effective date of this Executive Order with a list of recommendations for growing Virginia agricultural and forestry exports. In their recommendations, they shall also examine other strategies to mitigate the impacts of tariffs on Virginia's agriculture and forestry industries.

Effective Date of the Executive Order

This Executive Order shall become effective upon its signing and shall remain in full force and effect until amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 17th day of January 2026.



A handwritten signature in black ink that reads "Abigail D. Spanberger".

Abigail D. Spanberger, Governor

Attest:

A handwritten signature in black ink that reads "Jennifer B. Moon".

Jennifer B. Moon, Secretary of the Commonwealth