2026 General Assembly Updates

VML STAFF

BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Session Statistics as of May 20th

- 29 Vetoes
  - More than any other Governor whose party controls the legislature
- House introduced 1530 Bills
  - 727 Passed both Chambers (system has not updated the vetoes)
- Senate introduced 836 Bills
  - 429 Passed both Chambers (system has not updated the vetoes)

Vetoes of Note

- Collective Bargaining
  - Local Governments sent numerous letters asking for a veto
  - Last minute – several local officials (not localities) sent a letter supporting
  - Concern was cost and a one-size fits all mandate
  - Localities already have the authority to do this
  - This will be back – the Unions are furious and have been attending various state meetings to make their case

Vetoes of Note (cont.)

- Marijuana Marketplace
  - No Retail Market still for Marijuana
  - Budget had considered this a revenue source - $71.1M for the biennium. (Skill games $265.3M – died in conference)
- Prescription Drug Affordability Board legislation
  - 5th attempt by the General Assembly to create such a board
  - Intended to review the pricing of high-cost prescription drugs and set upper payment limits
- Mattress Stewardship Program
  - Recycling for Mattresses
- Casino gaming; eligible host localities
  - Fairfax County

Finance and Budget

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Budget

- Senate Data Center Tax Exemption = big hold up
  - Eliminates 5.6% - loss of $1.6B
  - Set to expire in 2035
- House Environmental Standards for a Tax Break
- Probably won't see it until late June
- Governor has a strict 30 day period to review

Budget Update (Governor's Budget)

- On December 17, 2025, Governor Youngkin introduced the last two budgets of his term – one for the Caboose Bill, the biennium ending June 30, 2026, and one for the 2026-28 biennium that begins on July 1.
- An additional $2.9 billion in available resources from balances ($1.8 billion), revenue adjustments, including tax proposals ($822 million), and general fund transfers ($364 million), more than offset $858 million in spending commitments, allowing $2.1 billion in general fund revenues to carryforward to the next biennial budget.
- The largest spending items in the Caboose Bill (HB 29), added $410 million to offset projected increases in Medicaid spending and $231 million for a 2% bonus for state employees, state-supported local employees, and teachers.
  - Subsequently, the 2% bonuses were converted to $1,500 for state employees and teachers.
- HB 29 was signed into law by Governor Spanberger on Feb. 20, 2026.

VIRGINIA VML MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Budget Update (Governor's 2026-28 Biennial Budget)

- Compared to his previous budgets, Governor Youngkin's introduced budget only included $734 million in tax relief over the three-year budget period.
  - Proposals to conform to federal budget actions reduced available revenues by $433 million
  - Other tax proposals eliminated $301 million from the state's coffers
  - The House and Senate budgets rejected most of Governor's Youngkin's tax policy changes
- Governor Youngkin's proposed budget included significant general fund spending for mandatory spending items but also discretionary initiatives.
  - $2.8 billion to fully fund required spending in Medicaid (mandatory);
  - $1.0 billion in compensation and benefits for a 2% salary increase each year for state employees, state-supported local employees, and teachers and funding to support the state's share of rising health insurance premiums for state employees (discretionary)
  - $450 million to adjust state support for public school's resulting from the biennial rebenchmarking process (mandatory)
- Additional spending was offset by substantive decreases including:
  - $309 million from recognizing lower VRS contribution rates;
  - $283 million by eliminating automatic inflation adjustments for certain Medicaid providers;
  - $108 million by making policy changes to state behavioral health crisis services.

VIRGINIA VML MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Budget Update (General Assembly Action)

- Since rolling out their respective budgets on Feb. 22, 2026, House and Senate budget writers have made little progress completing a budget agreement.
- The dispute revolves around the Senate's proposal to sunset a costly sales and use tax exemption for equipment used in data centers.
- The elimination of the exemption padded the Senate's budget by more than $1.0 billion, allowing the Senate to add:
  - $351 million to increase salary increases from 2% to 3% for teachers and state employees;
  - $316 million for additional capital construction projects;
  - $200 million for the Hampton Roads Sanitation District;
  - $200 million to stabilize the individual health insurance market; and
  - $135 million to pay the state's share of SNAP benefits if necessary.

VIRGINIA VML MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Budget Update (General Assembly Action)

- Both budgets added resources by rejecting the outgoing Governor's tax policy proposals. With those additional funds, the House added:
  - $400 in one-time flexible funding for school districts;
  - $211 million for the state share of SNAP benefits;
  - $200 million to create a contingency fund to address federal budget reductions;
  - $188 million for a deposit to the Wastewater Treatment Plant
  - $153 million for transit needs at WMATA; and
  - $148 million for a special education add-on for local school districts.
- Most of the new initiatives in the House budget are one-time, reflecting limited ongoing resources in their fiscal plan.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills - PASSED

- <u>SB 649 (Obenshain) Real property tax; special assessment for land use; notice requirements; civil penalty.</u>
  - Establishes notice requirements for the sale of real estate that is valued, assessed, and taxed by a locality under a special assessment on the basis of use.
  - Directs the Department of Taxation to create a written notice that may be provided to the purchaser of real estate in a land use program.
  - This notice must include disclosures regarding the special classification of the real estate and liability for roll-back taxes if a change in use occurs.
  - The bill's goal is to prevent sticker shock for the purchasers of land in rural communities.
  - The bill has a delayed effective date of Jan. 1, 2027.

Finance Bills (Car tax) - FAILED

- HB566 (McNamara) Tangible personal property tax relief; rate of taxation.
  - As introduced, HB 566 exempted from taxation, beginning Jan. 1, 2027, the first $5,000 in assessed value of qualifying vehicles.
  - Each tax year thereafter, the amount of personal property (or car tax) relief would grow by an additional $5,000 if revenues in a county, city, or town grow by five percent or more.
  - The amount of the exemption would be capped at $20,000. The cost to localities was not quantified but projected to be significant.
  - The bill failed to pass out of House Finance.

Finance Bills (Car tax) - FAILED

- SB799 (Durant) Tangible personal property tax relief; rate of taxation.
  - Proposed a different way to phase out the car tax by effectively eliminating it Jan. 1, 2027, by reducing the local tax rate on qualifying vehicles to no greater than $0.00000001 per $100 of assessed value of the qualifying vehicle.
  - At the same time, it removed the current $950 million general fund cap on reimbursement to localities for the car tax, beginning in tax year 2027 and each tax year thereafter.
  - Lifting the current cap was an acknowledgement that the general fund impact of reimbursing localities would far exceed the current general fund limit and approach $3.0 billion annually, a cost too high for the Senate Finance and Appropriations Committee that failed to report the bill.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (Car tax resolutions) - FAILED

- <u>HJ34 (Franklin) and SR6 (Marsden) Study; Department of Taxation; options for abolishing the personal property taxation of certain qualifying vehicles; report.</u>
  - Would require the Department of Taxation to study options for abolishing the car tax for certain qualifying vehicles and evaluate alternative local revenue sources to account for the shortfall in local tax revenues that would result from the abolition of the tax.
  - The car tax is the second largest source of revenue to localities, estimated to exceed $3.0 billion annually.
  - VML did not opposes the idea of a review of options to repeal the car tax and what losing those revenues might mean for localities.

VIRGINIA MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (Grocery taxes) - FAILED

- HB13 (McNamara) / SB9 (Suetterlein) RS and UT; food purchased for human consumption and essential personal hygiene products.
  - Eliminated the remaining one percent local sales and use tax imposed on food purchased for human consumption and essential personal hygiene products beginning on July 1, 2026. Under current law, no other sales and use tax is applied to such products.
  - Required an equal amount of revenue be distributed to cities and counties to compensate for the lost tax revenue.
  - That amount exceeded $300 million annually. The bills were continued to the 2027 Session.

- HB703 (Tata) RS & UT; food for human consumption and essential personal hygiene products, delayed effective date.
  - Like HB13 (McNamara) and SB9 (Suetterlein), HB 703 (Tata) eliminated the one percent local option sales tax on groceries and reimbursed localities for the lost revenue.
  - Even with a delayed effective date of Jan. 1, 2027, the annual general fund impact of more than $300 million was unchanged. The bill was continued to the 2027 Session.

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (Grocery tax, continued) - FAILED

- <u>HB978 (Watts) Taxation in the Commonwealth.</u>
  - Delegate Watts proposed to repeal the grocery tax by increasing revenues to localities.
  - •Her comprehensive bill expanded the Commonwealth's sales and use taxes to services, including services that heretofore have not been subject to taxation and modernizing the Commonwealth's tax system by expanding sales and use taxes to digital services.
  - •Substantial amounts of new revenue would have been apportioned to transit and transportation services as well as local governments, in part, to offset a reduction in revenues from the elimination of the local option sales tax on groceries.
  - It wasn't clear, however, if those additional revenues to localities would remain as flexible as revenues that come from the grocery tax.
  - The bill was continued to the 2027 Session.

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (BPOL) - FAILED

- HB956 (Watts) License taxes; deduction for out-of-state receipts.
  - Altered the way that local BPOL taxes are assessed for businesses with operations in other states.
  - Last year, a similar bill required the Department of Taxation to convene a workgroup to assess the impact on local revenues as well as the administrative cost of the proposed changes.
  - The workgroup was unable to reach agreement on the proposed changes.
  - Due to remaining concerns about the impact of revenues losses to local governments at a time of considerable economic uncertainty in our communities, the bill failed to report out of House Finance.

VIRGINIA VML MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (Personal property) - FAILED

- HB 960 (Watts) Personal property taxes; valuation.
  - Required that tangible personal property employed in a trade or business be valued by a percentage or percentages of original cost to the taxpayer.
  - Current law requires such property to be valued only as a percentage or percentages of original cost.
  - It was a subtle change that had an unknown but likely negative impact on local revenues.
  - Even with addition of a reenactment clause at the patron's request that would require reconsideration by the 2027 General Assembly, the bill was carried over by the Senate Finance and Appropriations Committee.

Finance Bills (Personal property) - FAILED

- SB 93 (Roem) Bank franchise tax; retail sales and use tax; tangible personal property tax; data centers.
  - Provided that, if any tenant of a data center is a bank, the retail sales and use tax exemption for data center computer equipment would not apply to the data center operator and any tenants of the data center.
  - Added computer equipment and peripherals of all banks used in a data center to personal property that is taxable for banks subject to the bank franchise tax in lieu of most other taxes.
  - The patron's goal was to close a loophole where banks and possibly other entities are setting up shop within data centers to minimize local taxation.
  - The bill was continued to the 2027 General Assembly Session.

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BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Finance Bills (Vaping) - FAILED

- SB712 (Stuart) Tobacco products tax; local tax authority; nicotine vapor products.
  - Would give local governments the authority to impose taxes on the sale or use of nicotine vapor products.
  - The tax could not exceed the lesser of the rate of 10 percent of the wholesale price or eleven cents ($0.11) per milliliter for the nicotine vapor product.
  - Would authorize localities to administer and enforce the tax, including "the registration of any distributor, wholesaler, vendor, retailer, or other person selling, storing, or possessing nicotine vapor products within or transporting nicotine vapor products within or into the taxing jurisdiction."
  - Local authority to tax vaping products may offset revenues lost as smokers have shifted their consumption from cigarettes to vaping.
  - The bill was stricken at the patron's request.

Retail Cannabis Legislation

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BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Cannabis Retail Market – Passed

- SB452 (Aird)/HB642 (Krizek) **Cannabis Control; Retail Market Penalties.**
  - Establishes a cannabis retail sales market with sales starting **July 1, 2027**
  - Cannabis Control Authority will develop a license administration process by Sept. 1, 2026, for the cultivation, processing, distribution and sale of retail cannabis including licenses for micro-businesses and dual licensure for existing medical cannabis licensees.
    - Regulations for the distribution of licenses and the operation of licensed facilities including a "seed to sale" cannabis product tracking system will be developed by Sept. 1, 2026.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Cannabis Retail Market – Continued

- SB452 (Aird)/HB642 (Krizek) **Cannabis Control; Retail Market Penalties.**
  - Authorizes localities to levy a tax on retail sales by ordinance of 1-3.5% to be collected by the state and distributed back to localities.
    - Authorizes local ordinances to:
    - Prohibit public consumption on rights of way or school property
    - Establish minimum distances no less than 1,000 feet between licensees and certain facilities such as schools defined in the bill
    - Regulate the hours of operation for cannabis retail operations.
  - This legislation prohibits banning retail cannabis activities.

VIRGINIA MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Cannabis Retail Sales - continued

- SB452 (Aird)/HB642 (Krizek) **Cannabis Control; Retail Market Penalties.**
  - July 1, 2027 – Retail Sales begin
  - Sept. 1, 2026 – Earliest date licenses for retailers, cultivators, and related businesses can be issued
    - Retailers – 200 licenses maximum initially
    - Microbusiness -

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Solar Bills

- HB711 (Herring) / SB347 (VanValkenburg) Solar facilities, local regulation, permits, special exceptions
  - Ground-mounted solar energy generation on ag, commercial, industrial or institutional zoned property shall be considered with specific criteria as outlined in statute

Solar bills (etc.)

- SB382 (Surovell) / HB590 (Hernandez) Solar Permitting Standards Mandate
  - Requires the Dept. of Energy to create an automated permitting platform to automate the approval process for permits for the installation of solar panels on residential buildings and localities must adopt their own equivalent permitting system or use the state system by July 1, 2028
  - Also requires local building codes contain specific technical criteria

Battery Storage for Solar

- HB891 (Shin) / SB443 (McPike) By Right Use of Battery storage
  - Establishes battery storage as a by right use for any zoning district that allows solar generation
  - Must be located in the parcel and cannot have a rated capacity greater than 100% of the solar generation facility
  - Localities can NOT have require any special exception or other land use approval

Perfluoroalkyl and Polyfluoroalkyl /Natural Resources

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

PFAS Standards for Biosolids

- **SB386 (Stuart) / HB1443 (Lopez)DEQ Regulation of Biosolids PFAS**
  - Establishes limits on sewage sludge for land application and testing standards and protocols for Per fluoroalkyl and Poly-fluoroalkyl substances (PFAS/PFOA).
  - Establishes quarterly testing of sewage sludge for land application for PFAS/PFAO using EPA testing methods and provide results to the Virginia Department of Environmental Quality; limits land application of any biosolids that exceed limits established in the bill.
  - If certain levels of PFAS/PFOA below limits set by the bill are exceeded land owners are required to be notified prior to the land application of any biosolids.

VIRGINIA VML MUNICIPAL LEAGUE

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

PFAS Standards for Biosolids

- HB1072 **(Laufer) Local Authority to test Biosolids for PFAS/PFOA**
  - Authorizes localities to test and monitor land applied biosolids to ensure compliance with all relevant water quality and permitting requirements.

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BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Transportation

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Photo Speed Monitoring Bills - Passed

- SB59 (**Diggs**) / HB684 (**Hayes**) **Training for Photo Speed Violations for Conservators of the Peace –** Authorizes conservators of the peace employed by a locality who have successfully completed training from the Department of Criminal Justice Services to swear or affirm violations of automatic traffic violation enforcement devices.

- SB84 (**Williams Graves**) **Authorizes the use of pedestrian crossing monitoring systems in school and active work zones.** Penalties, process and requirements to operate such a program are identical to those for operating a photo speed enforcement program. Includes new requirements for photo speed enforcement devices also included in HB1220.

- SB219 (**Jones**) **Photo speed monitoring devices; placement and operation; summons.** Requires a second notice to be issued for speed violations issued under a photo speed enforcement program; requires that DMV place a hold on any new vehicle registration, renewal or issuance of license plates until the penalty is paid.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Photo Speed Monitoring Bills - Passed

- SB221 (**Jones**) **School crossing zones; active times.** Allows localities to increase duration of School Zone monitoring from 30 to 60 minutes

- SB436 (**Bagby**) **Photo speed monitoring devices; highway work zones; workers present.** Limits use of photo speed monitoring in work zones to when workers are present as affirmed by the photo speed monitoring device operator.

- HB564 (**Reid**) SB583 (**Salim**) **Parking, stopping, and standing enforcement; bus obstruction monitoring systems.** Authorizes localities to use automated bus obstruction monitoring devices to enforce local ordinances related to parking, stopping or standing in bus zones/lanes; authorizes localities to contract for the operation of a bus obstruction monitoring system.

- HB994 (**Seibold**) **Photo speed monitoring devices; placement and operation.** Expands local authority to operate photo speed enforcement devices in a "safety red zone" as identified by the VDOT Commissioner in Planning District 8.

Photo Speed Monitoring Bills – HB1220

- HB1220 (Delaney) **Photo speed monitoring devices; placement and operation.**
- Directs the Virginia Supreme Court to establish a uniform summons for photo speed enforcement violations. Effective date July 1, 2027.
  - Summons must include information re: contesting or paying a civil violation; creates an opportunity to inspect photo speed device speed calibration information within 30 days of the mailing of a summons.
  - Requires two conspicuous signs placed within 1,000 feet of the photo speed device warning of the use of photo speed devices; one sign must be a speed display sign that measures and displays the speed of oncoming vehicles in real time. Signage requirements have a delayed enactment date of July 1, 2027.
  - Restricts how localities use fines and fees collected from violations to the planning, design and construction of specified road safety improvements such as speed management, bicycle and pedestrian safety, public transit, and local systemic safety initiatives otherwise eligible for funding under the Virginia Highway Safety Improvement Program. Requires that projects be prioritized in areas where photo speed enforcement is in use.
  - Eliminates the ability of vendors to collect fees for the mailing of violations or administrative fees other than for reasonable postage costs and no more than a 5% processing fee in addition to the civil penalty of $100.
  - Requires vendors to provide calibration data of photo speed devices within 10 days electronically or postmarked within 10 days of receiving the request from a person issued a violation from a photo speed device. Vendors failing to meet these requirements are subject to a $1,000 civil penalty per violation. Localities in violation of these requirements waive sovereign immunity.

Photo Speed Monitoring Bills – HB1220, Cont.

- HB1220 (Delaney), continued
  - Requires destruction of data collected by a photo speed device within 21 days of its capture unless the data is used for a civil violation or for the purposes of reporting requirements under the statute.
  - Requires documentation by photo, video or by a sworn certificate that workers were present at ithe time of the violation.
  - Increases nformation localities must submit to Virginia State Police and changes the reporting date from January to November.
  - Directs law enforcement agencies operating these devices to develop an emergency action plan in accordance with USDOT guidelines and to review annually the placement of devices to consider racial, economic, and other equity issues or public concerns.
  - Requires a locality to widely publish (e.g. social media, websites) information about contesting violations, publicizing changes and new locations for a photo speed enforcement device, and a link to the website of the vendor so long as it meets all requirements.
  - Requires a 30-day warning period for any device installed after July 1, 2026,where no fine can be levied for violations of a photo speed enforcement device.
  - Violations by a vendor or a locality are subject to a $1,000 civil penalty.
  - Establishes new penalties and legal recourse for localities operating photo speed programs found by a judge to be operated in willful disregard of applicable law. Penalties can include redirection of funds collected through a photo speed program to state funds until the locality comes into compliance.

Health and Human Resources

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Health and Human Service Bills - PASSED

- HB862 **(Cousins)** / SB391 **(Stuart)** **VASAP/ASAP authority and funding.**
  - Updates provisions of the Code of Virginia regarding the governance and operations of the Virginia Alcohol Safety Action Program (VASAP) and community-based Alcohol Safety Action Programs (ASAPs).
  - Adds requirements for local funding contributions and requirement for a local fiscal agent for all ASAPs.
  - Amendments delay the local funding requirements to January 2028 and add an enactment clause establishing a work group that includes VML, VACo, General Assembly budget committee staff, and VASAP representatives.
  - Work group will examine program's funding structure and sustainability and other state's programs. Report is due Oct. 2026.
  - VASAP/ASAP is a state-mandated program that is supposed to be funded entirely through state fees paid by program participants.

Health and Human Service Bills - PASSED

Three bills expand authorization to provide alternative transportation for emergency and temporary detention:

- HB681 **(Hayes) Retired law-enforcement officers for emergency and temporary detention admissions.** Clarifies that retired law-enforcement officers may be used in carrying out emergency custody and involuntary temporary detention orders.

- HB976 **(Price) Alternative transportation providers; youth transport and custody**. Permits a person who 1) works for, or contracts with, the Department of Behavioral Health and Developmental Services, or 2) works for a private or state hospital in Virginia to provide transportation. Also addresses allowable alternative transportation providers for transportation and custody of minors during an emergency custody and involuntary temporary detention process.

- SB75 **(Lucas) Emergency and temporary detention; alternative transportation providers; youth transport and custody.** Addresses components of both HB 681 and HB 976 above.

Health and Human Service Bills - PASSED

- HB1490 **(Tran) Centralized hotline for reports or complaints of child abuse or neglect.** Shifts child protective services reports/complaints from a local intake model to a centralized intake model. Requires a study of CPS issues and local practices. Directs VDSS to phase in the centralized intake system beginning July 1, 2028, through July 1, 2030. Local DSS agencies would administer intake until phased into the centralized intake system.

- HB1366 **(Callsen) Department of Social Services – corrective action plans and control of local boards/departments.** Authorizes the Commissioner of Social Services to create and enforce corrective action plans for any local board/local department that fails to administer public assistance and programs in accordance with law and regulations or whose actions/inactions pose a substantial risk to the health, safety or well-being of a child or adult. A local department could request assistance with programs/services from state staff or a assist with public assistance and social services in a locality. Also creates a task force to develop a comprehensive improvement plan to address changes needed with the state and local departments including a study of funding and local match and the methodology used to allocate administrative funds. Report is due Nov. 1, 2026.

- SB640 **(Pillion) Department of Social Services corrective action plans and centralized intake system for child protective services reports and complaints.** Incorporates the components of HB 1490 and HB 1366 listed above.

VIRGINIA MUNICIPAL LEAGUE VML

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Health and Human Service Bills – Carried Over

- **<u>SB468 (Marsden)</u> Statewide plan and designation of local juvenile detention beds.**
  - Would have directed the Virginia Department of Juvenile Justice to designate the number and location of local/regional juvenile detention facilities and number of beds in each facility as part of its statewide plan a plan for juvenile detention facilities. The bill was carried over to 2027 by the Senate Finance & Appropriations Committee.

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

General Laws

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Affordable housing; religious organizations and other nonprofit tax-exempt properties

- SB388 (**McPike**)/HB1279 **(Cole, J) Affordable housing; religious organizations and other nonprofit tax-exempt properties.**
  - Allows certain non-profit and religious organizations to build by-right housing on their property with only administrative approval
  - If the approval is not given in 90 days it is “deemed approved”
  - Projects are found to be “substantially in accord” with the comprehensive plan

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Housing Tools

- SB74 **(McPike) Affordable housing; local zoning ordinance authority** Authorizes any locality to provide for an affordable housing dwelling unit program by amending the zoning ordinance of such locality. Programs may include certain additional implementation measures including lot size reductions and accessory housing unit allowances.

- SB425 **(Bagby) Comprehensive plan; environmental justice strategy** Requires cities with populations greater than 20,000 and counties with populations greater than 100,000 to consider adopting an environmental justice strategy at the next and all subsequent reviews of the comprehensive plan.

- HB257 **(Simonds) Comprehensive plan; social determinants of health** Encourages localities to use relevant and available data and research related to social determinants of health to consider how the locality's adopted comprehensive plan will affect the locality's overall public health and access to health care services.

- SB531 **(Srinivasan) Zoning; development and use of accessory dwelling units.** Requires a person to seek a permit for an ADU from the locality, requires the locality to issue such permit if the person meets certain requirements enumerated in the bill, and restricts the fee for such permit to $500 or less.

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BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Housing Tools Cont.

- HB4 **(Bennett Parker) Affordable housing; preservation, definitions, civil penalty**
  - Creates a process for localities to preserve affordable housing by exercising a right of first refusal on publicly supported housing.

- HB14 **(Price) /** SB290 **(Aird) Virginia Residential Landlord and Tenant Act; enforcement by localities**
  - If there is material noncompliance by a landlord of a dwelling unit, the locality may institute an action on behalf of a tenant/occupant to try to remedy the violation

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Wireless Structures / Defibrillators

- HB277 **(Seibold) Zoning; wireless communications in infrastructure, application process** Prohibits a locality from denying an application for the modification of an existing wireless facility if (i) the modification would not substantially change the physical dimensions of the existing wireless facility; (ii) the modification involves the co-location of new transmission equipment, the removal of transmission equipment, or the replacement of transmission equipment; and (iii) the request meets the requirements of the bill.

- HB876 **(Shin) Zoning; wireless facilities, temporary support structures** Requires a locality to include in its zoning ordinance provisions that allow for the use of temporary support structures that meet certain requirements.

- SB87 **(Stanley) Local government sporting events and sporting facilities; automated external defibrillators** Requires localities to ensure that operational automated external defibrillators are available at local government sporting events and sporting facilities beginning July 1, 2028.

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BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

FOIA/COIA/General Govt.

- HB346 **(McLaughlin) Va. Freedom of Information Act; exclusion to application of chapter; public utility account numbers.** Excludes account numbers of any person or public body for an account with a public utility from the mandatory disclosure provisions of FOIA.

- SB699 **(Ebbin) Virginia Freedom of Information Act; public bodies to post meeting agendas** Requires public bodies subject to FOIA to post the proposed agenda on the public body's official government website, if any, prior to the meeting.
  - No final action may be taken on any items added to an agenda after a meeting commences unless the matter is time-sensitive or is the subject of a closed meeting properly identified in a motion in accordance with FOIA.

- SB530 **(Srinivasan) Conflict of Interest Act, State/Local Govt.; electronic disclosure by local govt. officers and employees** Requires local government officers and employees to file annual disclosure statements electronically with the COIA council.

- HB177 **(Anthony) Fee for passing bad checks to localities; payment order not paid by recipient** No fee shall be imposed as the result of an electronic payment order that is not honored as the result of the nonexistence of any account matching the account information provided by the taxpayer, provided that the taxpayer has not tendered any other electronic payment order that was not honored during the 12 months preceding the tender of the payment order in question.

- HB1404 **(Guzman) Appointment of youth representative to a local governing body** Allows a local governing body to appoint a youth representative to serve as a nonvoting member of the governing body.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

FOIA – Failed but will be back!

- HB160 **(Simon) FOIA; officers, employees, or members of a public body, alleged willful and knowing violations.** Specifies that civil penalties may only be imposed on officers, employees, or members of a public body in actions brought against them in their individual capacity for certain violations of FOIA

- HB313 **(Wachsmann) Virginia FOIA; public records to be open to inspection, non-citizen property owners.** Includes non-citizens owning property within the Commonwealth among the list of persons to whom all public records shall be open under FOIA.

- SB50 **(Rouse) Lobbying; registration; local governments; penalty** Expands the definition of "lobbying" to include influencing or attempting to influence local government action, defined in the bill, or solicitation of others to influence a local government official.

- SB56 **(Roem) FOIA; procedure or responding to requests, charges, posting of notice or rights & responsibilities** Limits the fees charged for producing public records to the median hourly rate of pay of employees of the public body or the actual hourly rate of pay of the person performing the work, whichever is less, and provides that a public body may petition a court for relief from this fee limit if there is no one who can process the request at the median hourly rate of pay or less.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Collective Bargaining

- SB378 (Surovell) and HB1263 (Tran) **Collective bargaining by public employees; Public Employee Relations Board established; exclusive bargaining representatives.**
  - Establishes collective bargaining for local and state agencies.
  - Require public employers and employee organizations that are exclusive bargaining representatives to negotiate in good faith with respect to wages, hours, and other terms and conditions of employment.
  - Creates the Public Employee Relations Board (PERB), which will rule on appropriate bargaining units.

VIRGINIA VML MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Public Safety

- HB702 (Cole, J.G) **Local law-enforcement agencies; firearm give-back or buy-back programs.**
  - Requires every city and county police agency - and allows any town police agency - to create a gun sell-back or give-back program and, once established, to hold an annual sell-back or give-back event thereafter.

Salary History

- HB636 (Maldonado) **Prohibiting employer seeking wage or salary history of prospective employees; wage or salary range transparency; cause of action.**
  - Prohibits a prospective employer from:
    - Seeking the wage or salary history of a prospective employee (employee)
    - Rely on the wage or salary history of an employee when considering them for employment
    - Rely on the wage or salary history of a prospective employee in determining the salary upon hire
    - Refuse to interview, hire, employ, or promote or otherwise retaliate against an employee for not providing wage or salary history
    - Failing or refusing to disclose in each public and internal posting for each job, promotion, transfer, or other employment opportunity the wage or salary range.
    - Failing to set a salary range in good faith.

Paid Family Medical Leave

- **HB 1207** (Sewell)/**SB 2** (Boysko) create a new mandatory insurance program to provide workers with up to 12 weeks of Paid Family and Medical Leave
  - Program to be administered by the Virginia Employment Commission
  - Program to be funded through payroll deductions and contributions from employers.
  - VEC to begin collecting premiums April 1, 2028, with benefits available for payment beginning December 1, 2028.
  - Employers may self-insure or purchase private insurance, which must provide same benefits and be approved by the Commission every two years.

K-12 Education

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

K-12 Education Bills - Passed

- HB195 **(McQuinn)** / SB33 **(Favola)** **Programs for at-risk students; permissible uses of funding.** Alters the at-risk student funding to include initiatives to support the mental and physical health of public school students. This permissive flexibility aims to cover more school employees for schools.

- HB544 **(Askew)** / SB498 **(Aird)** **Commission on School Construction and Modernization; revisions; elimination of sunset** eliminates the sunset of the commission and establishes a regular meeting schedule.

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

K-12 Education Bills - Failed

Several bills were introduced but were continued or tabled during session due to the ongoing Joint Subcommittee on Secondary Education and Funding.

- HB92 **(Rasoul)** / SB90 **(Favola)** **Equity in public school funding and staffing; special education students; at-risk students; annual report.**
  - Would create and fund the at-risk program and provide additional funding for English Language Learners and Special Education students.
    - Addressed in the budget

- HB753 **(Runion)** / HB1101 **(Hodges)** / HB1167 **(Carroll)** **Public school funding; composite index of local ability-to-pay.**
  - Would alter the local composite index (LCI) by including changes for agricultural areas, data centers, and property tax exemptions for military veterans.

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

K-12 Education Bills - Failed

- **HB334 (Rasoul) / SB66 (McPike) / SB607 (Lucas) Additional local sales and use tax to support schools; referendum**
  - Would authorize any county or city to impose a sales and use tax of up to one percent dedicated to school construction if approved by voter referendum.
  - Currently only nine localities have this authority
  - HB334 and SB66 did not cap the duration of the tax; allowed towns with a school division to receive a prorated portion of funds; and allowed the tax to be used for previous indebtedness.
  - SB607 would forbid supplanting of current funding
  - HB334 passed the House but was continued in the Senate; SB66 was incorporated into SB607 which was then left in Senate Finance and Appropriations Committee.
  - Language is in the Senate version of the budget but NOT the House

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Elections

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BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Election Bills - Passed

- HB505 **(McAuliff)**/ SB648 **(Perry) Counties, cities, and towns; dual office holding, etc.** changes COIA regulations to state that a member of a local governing body will be deemed to have a continuing personal interest in any job previously held with the locality for two years following termination of employment. Remainder of bill is limited to one town in PD8.

- HB630 **(Callsen)** / SB176 **(VanValkenburg) Elections; conduct of election; ranked choice voting; locally elected offices; report.** Expands the eligibility for elections to be conducted using ranked choice voting to all local public bodies, including towns.

- SB438 **(Bagby) Absentee voting in person; available the second and third Sunday before all elections.** Requires absentee voting locations to be open for a minimum of five hours the second and third Sundays prior to any election.

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Election Bills - Failed

Although these bills failed, the concepts will come back in a similar form.

- HB23 **(Helmer)** / SB76 **(VanValkenburg) Elections; primary dates; presidential year primaries.** Would shift all primaries for offices to be filled at the November election in presidential election years to be held on the date of the presidential primary.

- HB235 **(Gardner) Elections; districts, precincts, and polling places; super precincts; pilot program.** Would make vote centers or super precincts available as a pilot program to all localities.

- SB202 **(Sutterlein) Elections; filling vacancies in county and city governing bodies.** Would remove the authority of a county or city governing body to fill vacancies by interim appointment and instead require an immediate special election by mandating the local governing body to petition the court to issue a writ of special election within 45 days of the vacancy.

Selected Studies

VML STAFF

BETTER COMMUNITIES THROUGH
SOUND GOVERNMENT

Studies

- HB707 **(Hayes) State government; transaction of public business; prohibited website domains.**
- HB463 **(Cohen) Virginia Freedom of Information Act; definitions, meetings, quorum and electronic communication.**
- SB132 **(Craig) Uniform Statewide Building Code; exemptions for agritourism structures.**
- SB525 **(Stuart) Mutual aid agreements; public safety radio equipment**

VIRGINIA MUNICIPAL LEAGUE
VML
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

Code Commission Study

- HB135 **(Simon) Virginia Code Commission; extends subdivision plats work group**
  - VML is part of this group and supported the extension
  - Revising the following code sections:
  - 15.2-2259 Designated agent to act on proposed final plat
  - 15.2-2260 Localities may provide for submission of preliminary subdivision plats; how long valid.

VIRGINIA MUNICIPAL LEAGUE
BETTER COMMUNITIES THROUGH SOUND GOVERNMENT