

Capitol Contact

Virginia General Assembly

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Speed Camera Bill Heads to Governor Youngkin

[As previously reported](#), SB 1233 (Williams Graves) has had a long journey through the General Assembly. As a conference substitute, [SB 1233 \(Williams Graves\)](#) authorizes state and local law-enforcement agencies to place and operate pedestrian crossing violation and stop sign violation monitoring systems in school crossing zones, highway work zones, and high-risk intersection segments for purposes of recording pedestrian crossing and stop sign violations. The bill also adds multiple guard rails to but does not expand photo speed monitoring device programs and would rename these devices to, “speed safety cameras.”

Civil penalties collected through pedestrian crossing violation monitoring systems, stop sign violation monitoring systems, and speed safety cameras can be kept at the local level and used for the installation and operation of these programs. Any funds collected that exceed installation and operation expenses must be deposited in a local fund, and localities may use these funds solely for:

- Planning, design, and construction projects for traffic safety
- Speed management purposes
- Bicycle and pedestrian safety
- Local systemic safety initiatives otherwise eligible for funding through the Virginia Highway Safety Improvement Program

There are many administrative changes to the bill including:

- Expanded reporting requirements for localities

- New vendor calibration and accuracy testing requirements for speed safety cameras
- Vendors are to provide proof of speed safety camera calibration upon request of any person receiving a summons by mail for a vehicle speed violation and establishes fines upon failure to comply
- Local law-enforcement agencies shall conduct a public awareness program to advise the public that the agency is implementing or expanding a pedestrian crossing violation monitoring system or stop sign violation monitoring system.
- At least two conspicuous signs are to be placed for speed safety cameras, pedestrian crossing violation monitoring systems, or stop sign violation monitoring systems and requires one of such signs to be a speed display sign for speed safety cameras. (Delayed effective date of July 1, 2026)

The conference report passed the House by a vote of 54-40 and the Senate by a vote of 25-15.

VACo thanks Senator Williams Graves and the Conferees for their work on this bill. The bill awaits a decision by Governor Youngkin.

VACo Contact: [James Hutzler](#)

BPOL Legislation Passes as a Study Directive

[HB 1743 \(Watts\)](#), which deals with the ability of businesses to deduct gross receipts attributable to business conducted in another state or foreign country from taxation under the BPOL tax, emerged from conference late last week and was approved by the General Assembly in a revised form that directs the Department of Taxation to convene a workgroup on the issue. The bill was amended in the Senate earlier in the session to convert the bill to a study directive, and VACo preferred this approach to the version of the bill that passed the House, as it would allow the implications of the proposed policy change to be fully vetted.

Under current law, receipts attributable to business conducted in another state or foreign country in which the taxpayer is liable for an income tax or other tax based on income are deductible. As passed by the House, HB 1743 would have expanded this provision to cover receipts from other states or foreign countries with a net income tax or other tax based upon gross or net income or receipts. This version of the bill had a delayed effective date of July 1, 2026, and required the Department of Taxation to convene a working group to review the current methodology of the existing deduction and potential revenue impacts of the expanded deduction, among other elements.

Expansion of the ability of businesses to deduct gross receipts attributable to business conducted outside of Virginia is expected to affect local revenues, with a potentially significant impact in some jurisdictions, although the full scope is difficult to quantify. Allowing the deductibility of gross receipts generated in states with other types of taxes also would add complexity to tax administration, since states have different rules and thresholds for filing. Given the unknown revenue impact and administrative complexity involved in the bill, and the compressed timeline of the short session, VACo strongly encouraged a more thorough review of its implications in discussions with the patron and proponents of the legislation throughout the session.

As passed, the bill now is limited to a directive to the Department of Taxation to convene the working group, which would include participation by VACo, VML, the Commissioners of the Revenue Association of Virginia, the Virginia Chamber of Commerce, and other business representatives. The workgroup is required to review the methodology of the existing deduction, any potential impact on local government revenue as a result of expanding the deduction and options to phase in any such impact, potential administrative complexities and benefits to taxpayers, and the support structure needed for localities to verify deductions. A report is due October 1.

VACo Contact: [Katie Boyle](#)

Energy Landscape of Virginia Episode 8 | Virginia General Assembly Update – Legislation on Data Centers and Utility-Scale Solar



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Virginia General Assembly Update – Legislation on Data Centers and Utility-Scale Solar. Joe Lerch and VACo Executive Director Dean Lynch provide an update on the status of legislation relating to Data Centers and Utility-Scale Solar.

Where to find out more about topics covered in this episode

- [JLARC “Data Centers in Virginia” Report](#)
- [HB 1601/SB 1449](#) – Siting of Data Centers; Site Assessment
- [House Budget Amendment](#) – Extends the sunset date for sales tax exemption for data centers from 2035 to 2050

- **Senate Budget Amendment** – Requires data center operators to meet energy efficiency standards to qualify for sales tax exemption
- **Capitol Contact ALERT: VACo Opposes Bill Mandating Targets for Utility-Scale Solar in Comprehensive Plans**
- **Bills to Mandate Counties put State Targets for Utility-Scale Solar in Comprehensive Plans Fail**

VACo Contact: Joe Lerch, AICP