

Capitol Contact

Virginia General Assembly

Virginia Association of Counties • 1207 E. Main Street, Suite 300 • Richmond, VA 23219
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Tuesday, January 27, 2026

ACTION ITEM: Call Now to Oppose Bill to Make Utility-Scale Batteries a By-Right Use

Bill bypasses local decision-making authority to make battery energy storage a permitted use on all approved utility-scale solar land.

[SB 443 \(McPike\)](#) makes utility-scale Battery Energy Storage Systems (BESS) a by-right use on any parcel that has previously been approved for utility-scale solar and that is subject to an approved special use permit. SB 443 was approved by the Senate Local Government Committee by a vote of [11 yes – 3 no](#) and will be considered on the Senate Floor this week.

ACTION REQUIRED

- Call members of the [Senate of Virginia](#) today to **oppose** SB 443.

Additionally, the legislation also exempts such installations from the requirement that applicants give the locality written notice of their intent to locate in such locality and request a meeting to negotiate a host siting agreement pursuant to [Virginia law on the Siting of Solar Projects and Energy Storage Projects](#).

KEY POINTS

- This legislation would permit the installation of battery storage infrastructure on any land associated with hundreds of locally approved utility-scale solar sites across the Commonwealth without the consent of the counties and constituents they represent.

- The legislation would remove such installations from the requirements of the host site agreement law which have proven very successful for both solar and BESS projects to be negotiated for approval by localities.

KEY CONTACTS

- [**Senate of Virginia**](#)

VACo Contact: [**Joe Lerch, AICP**](#)

ACTION ITEM: Call Now to Oppose Bills that Abolish Photo Speed and Traffic Signal Violation Systems

[**SB 297 \(Peake\)**](#) would repeal the authority of local law enforcement agencies to operate photo speed monitoring devices (speed cameras) throughout the Commonwealth while [**SB 306 \(Peake\)**](#) would repeal local authority to use traffic light signal violation monitoring systems (red light cameras) and other traffic control device violation monitoring systems to enforce certain traffic offenses.

ACTION REQUIRED

- Call members of the [**Senate of Virginia**](#) today to **oppose** SB 297 and SB 306.

SB 297 and SB 306 were approved by the Senate Transportation Committee by votes of 8-7. The bills will be up for a floor vote as early as Wednesday, January 28.

KEY POINT

- The bills would restrict a locality's ability to respond to public safety concerns in school zones, work zones and other areas deemed appropriate within their locality.

KEY CONTACTS

- [**Senate of Virginia**](#)

VACo Contact: [**James Hutzler**](#)

VACo Supported School Construction Financing Bill Passes House!

[**HB 334 \(Rasoul\)**](#), legislation that once again seeks to grant additional revenue raising authority if approved by local referendum for school capital needs, was passed by the House of Delegates on a broad, bipartisan [vote](#) of 70-28 on Tuesday, January 27. VACo testified in committee in support of this long-held priority legislation.

As previously [reported](#), funding for school construction and renovation is one of the biggest concerns and responsibilities of local governments in the Commonwealth and has been almost solely a local responsibility for decades. The condition of the facilities in which children are educated has a direct impact on their ability to learn.

Many localities face significant challenges in raising sufficient funds to undertake these projects. These challenges include over-reliance on real property taxes to generate revenue, which can have vastly different yields depending on the locality and disproportionately burden a subset of taxpayers within a jurisdiction. This raises concerns over equity and diversity of revenues.

HB 334 would permit any county or city to impose an additional local sales and use tax of up to 1 percent, if initiated by a resolution of the local governing body and approved by voters at a local referendum. The revenues of such a local tax would be used solely for capital projects for the construction or renovation of schools, including service of debt for existing projects. As currently drafted, there are slight differences in the debt services provisions of each bill that VACo is aware of and engaged on.

Currently, this authority is limited to the qualifying localities of Charlotte, Gloucester, Halifax, Henry, Mecklenburg, Northampton, Patrick, and Pittsylvania Counties and the City of Danville.

[**SB 66 \(McPike\)**](#), which is the Senate companion to this bill, has been referred the Senate Finance and Appropriations Committee.

VACo Contact: [Jeremy R. Bennett](#)

VACo Opposes Problematic Workers' Compensation Unfunded Mandate Bill

VACo testified in opposition to [**HB 130 \(Cornett\)**](#), which would have expanded the workers' compensation presumption of compensability for certain cancers causing

the death or disability of certain employees who have completed five years of service in their position to include sheriffs or deputy sheriffs. Though not opposed to the policy intent of the legislation, the bill would have imposed significant costs to local government risk insurers, which would then be reflected in higher insurance premium costs for local governments.

VACo opposes any effort to expand workers' compensation presumptive illnesses eligibilities for public employees that is not done in concert with additional state funding assistance to local governments to offset additional insurance liabilities. VACo was joined in opposition to the bill by VAcorp. The Labor and Commerce Committee reported and referred the bill to House Appropriations unanimously.

VACo Contact: [Jeremy R. Bennett](#)

Committee Work Begins on Finance Bills

The House Finance Committee and Senate Finance and Appropriations Committee began hearing legislation last week. Several bills of interest to local government were considered, as discussed further below.

Real property tax legislation

[HB 175 \(Feggans\)](#) authorizes localities to provide a total exemption from real property taxes for surviving spouses of members of the Armed Forces who died in the line of duty. Under current law, such property is only exempt up to the average assessed value for a dwelling situated on property that is zoned as single-family residential, with the remaining property value subject to real estate taxation. This bill is on the House floor. [SB 8 \(DeSteph\)](#), a similar bill, has not yet been heard in the Senate.

[HB 282 \(Callsen\)](#), which is also on the House floor, adds the cities of Charlottesville, Falls Church, Fredericksburg, and Newport News to a statute that allows several other cities to impose real estate taxes on improvements to real property at a different rate than the tax imposed on the land on which improvements are located, provided that the rate imposed on improvements does not exceed the rate imposed on the land. Legislation which would have extended this authority to all localities ([HB 10 \(McNamara\)](#)), and allowed the tax rate on improvements to real property to be greater than, less than, or equal to the tax rate imposed on the land, was tabled in subcommittee.

Grocery tax

Several bills have been introduced to eliminate the remaining 1 percent local option sales and use tax on groceries and replace the lost revenue with a state appropriation based on each locality's monthly pro rata share of total sales and use

tax collections. [**SB 9 \(Sutterlein\)**](#) was heard in Senate Finance and Appropriations last week and “carried over,” or continued to 2027; VACo spoke in opposition and registered concerns about eliminating a local revenue source and relying on the state to continue to appropriate the replacement revenue in perpetuity. Similar bills [**HB 13 \(McNamara\)**](#) and [**HB 703 \(Tata\)**](#) have not yet been heard.

Plastic bag tax

[**HB 341 \(Martinez\)**](#), which requires that counties imposing a disposable plastic bag tax distribute a portion of these revenues to their towns based on the local sales tax distribution formula, is on the House floor.

Car tax study

[**HJ 34 \(Franklin, L.\)**](#) and [**SR 6 \(Marsden\)**](#) are study directives that would require the Department of Taxation to study options for abolishing the car tax. The Department would be required to quantify the financial impact on localities and examine alternative revenue sources to replace the lost local revenue. The Department would be required to consult with VACo and the Virginia Municipal League as part of the study. VACo is supporting this approach of gathering essential data, in consultation with localities, to inform further discussions of this issue. HJ 34 is on the House Floor; SR 6 has been referred to Senate Rules.

VACo Contact: [**Katie Boyle**](#)

Key Dates for 2026 General Assembly Session

The General Assembly convenes today for a scheduled 60-day session.

Key dates for the 2026 session, as approved by the Joint Rules Committee in the procedural resolution setting out the schedule for the session, are as follows:

- **Wednesday, January 14:** General Assembly convenes; pre-filed bills must be submitted by 10:00 a.m. (after the prefiling deadline, legislators are limited to five additional bills or resolutions). Last day to submit bills creating or continuing a study or to submit bills dealing with the Virginia Retirement System. Governor Youngkin will address a joint session of the General Assembly at 7 p.m.
- **Friday, January 16:** Deadline to submit budget amendments.
- **Saturday, January 17:** Inauguration of Governor-Elect Spanberger, Lieutenant Governor-Elect Hashmi, and Attorney General-Elect Jones.

- **Monday, January 19:** Joint session of the General Assembly for remarks by Governor Spanberger.
- **Friday, January 23:** Last day to submit legislation, other than bills submitted by unanimous consent or bills requested by the Governor.
- **Tuesday, February 17:** Last day for bills to be acted upon in their chambers of origin, other than the budget bills. Bills must “cross over” to the opposite chamber by Wednesday, February 18.
- **Sunday, February 22:** “Budget Sunday” deadline for House Appropriations and Senate Finance and Appropriations committees to report their respective budget proposals.
- **Thursday, February 26:** Deadline for each chamber to act on its respective budget proposal.
- **Wednesday, March 4:** Deadline for each chamber to act on budget and revenue bills from the other chamber and appoint conferees as necessary.
- **Monday, March 9:** Deadline for committee action on all legislation by midnight.
- **Saturday, March 14:** Scheduled adjournment *sine die*.
- **Wednesday, April 22:** Reconvened session to consider Governor’s actions on bills and budget items.

VACo Contact: [Katie Boyle](#)

Advocate for Your Community at the VACo Local Government Day

Thursday, February 5, 2026 | [Omni Richmond Hotel](#)

REGISTER TODAY

It's a day for us. Localities. It's a day for us to learn how the decisions being made by the General Assembly might affect us. And it's a day to make our voices heard. Attend Local

Government Day. Then visit the Capitol to meet with your legislators and observe committee meetings. Later join us for a reception.

Date: Thursday, February 5, 2026

Reserve a Room: [**Omni Richmond Hotel Room Link**](#)

Who should attend: ALL local elected officials and staff are encouraged to register and attend.

Registration Fee

\$100 | Includes Day Briefing (Noon – 2pm) and Reception (430pm – 630pm)

Agenda

- **9am** | VACo Board of Directors Meeting
- **10am** | Registration
- **1130am** | Lunch
- **Noon** | VACo Local Government Day
- **Afternoon** | Visit the Capitol to speak with legislators
- **430pm-630pm** | VACo Legislative Reception | Omni Richmond Hotel

Please email Valerie Russell at vrussell@vaco.org with questions.

For information on how to reach your representatives, see the [**Virginia House of Delegates**](#) and the [**Senate of Virginia**](#) member websites. Find information about VACo's positions in the [**2026 Legislative Program**](#). We will distribute the Local Government Day Bulletin before the event.

VACo Contact: [**Valerie Russell**](#)