

Capitol Contact

Virginia General Assembly

Virginia Association of Counties • 1207 E. Main Street, Suite 300 • Richmond, VA 23219
www.vaco.org • 804.788.6652

Thursday, February 19, 2026

ACTION ITEM: VACo Continues to Oppose Mandatory Collective Bargaining

VACo urges continued opposition to [HB 1263 \(Tran\)](#) / [SB 378 \(Surovell\)](#), which would curtail local authority and create substantial local fiscal impact by imposing mandatory collective bargaining for local governments if a group employees petition and vote to form a bargaining unit. The bills would also create a state Public Employee Relations Board (PERB) with no specified local government representation and impose binding arbitration, among other provisions. Furthermore, the bills do not preserve local discretion beyond the expiration of existing collective bargaining agreements, effectively forcing localities into the new state-administered system when current agreements expire.

ACTION REQUESTED

- **VACo Members** – Contact ALL legislators in the General Assembly ([House of Delegates Emails 1](#) | [House of Delegates Emails 2](#) | [Senate of Virginia](#)) to oppose this legislation now.
- Please include VACo in your correspondence and share fiscal and other impacts of the legislation on your locality.

SB 378 passed the Senate on February 17 on a vote of 21-19. HB 1263 passed the House on February 17 on a vote of 61-35. Each bill has slight differences detailed further below, but the most problematic aspects involving local decision making and fiscal impact remain. The bills will likely be heard in each opposing chamber. If the differences in each bill are unable to be reconciled, they will likely be sent to a committee of conference.

KEY POINTS

- Virginia is home to a diverse array of localities with significant variations in population, resources, and administrative capacity. Mandating a uniform collective bargaining framework ignores these differences and places an undue burden on many localities that lack the resources to manage the complexities of collective bargaining agreements.
- Disregard for locally tailored solutions made by democratically elected local representatives disrupts established practices and agreements and creates unnecessary confusion and administrative burden.
- This legislation preempts local governance, introduces fiscal uncertainty, and disregards the progress made by a number of localities and local school divisions under the current framework.
- The estimated **local fiscal impact** for this legislation is massive. One responding locality has reported a potential fiscal impact exceeding \$400 million for that jurisdiction alone.

VACo opposes both bills. Below is a side-by-side comparison.

Topic	SB 378	HB 1263
PERB Placement	Establishes PERB as an agency in the executive branch.	Establishes PERB as a division of a department.
Binding Arbitration	Requires final & binding arbitration for grievances and impasse procedures. More explicit and prescriptive about the use of binding arbitration. A local governing body shall approve or reject the submission as a whole. However, if the governing body rejects the submission of the public employer, either party may reopen negotiations.	Requires final & binding arbitration for grievances and impasse procedures. Leaves more details to regulation.
Procedural Impacts	State-run certification/elections and bargaining unit determinations; contact info requirements; enforcement and hearings in localities.	Similar statewide structure; additional home-care provisions expand scope and administrative footprint.
Home care / Medicaid Consumer-	Directs the Secretary of Health and Human Resources (along with the Secretary of Labor) to evaluate options for collective	Creates a Virginia Home Care Authority (VHCA) with extensive

Topic	SB 378	HB 1263
Directed Providers	bargaining rights for consumer-directed providers in the Medicaid waiver programs.	responsibilities and “public employer” role for providers.
Higher Education	Includes employees of public institutions of higher education from the bill’s collective bargaining framework.	Excludes employees of public institutions of higher education from the bill’s collective bargaining framework.
Effective date / transition	Major provisions become effective July 1, 2028, with continuity language for existing representatives and collective bargaining agreements until then.	Requires regulations by July 1, 2028 and pauses certain petition and election activity until regulations are adopted.

Some other considerations of both bills:

- Eliminates the current “local option” framework and replaces it with a mandatory, state-administered collective bargaining system, regardless of local governing body preferences or capacity.
- Local governments lose existing decision-making authority over labor relations policy and must navigate a new state bureaucracy.
- Creates new procedural timelines and legal standards that local human resources staff, county attorneys, and administrators must meet, regardless of staffing capacity or workload constraints.
- Creates new reporting, documentation, and compliance tracking requirements, increasing administrative overhead for counties without providing state funding to support these mandates.
- PERB’s membership structure does not guarantee any dedicated representation for local governments.
- PERB has enforcement authority to seek court involvement to compel compliance with the statute and PERB orders, exposing counties to new litigation risk and legal costs.
- Binding arbitration creates outcomes with unpredictable fiscal consequences.
- Limits counties’ ability to respond quickly to fiscal downturns, emergencies, or changing service demands, due to contractual and arbitration-driven constraints on staffing, scheduling, and compensation adjustments.
- Most major provisions take effect July 1, 2028, limiting immediate impacts on the next biennial budget, while setting up potentially significant fiscal impacts in future budget cycles.
- Employees of the legislative branch are excluded from coverage under the collective bargaining framework created by the bills.
- For local governments, the two bills still have the same functional impact. Both curtail the authority of democratically elected local officials, centralize

authority at the state level, expand binding arbitration, and expose counties to significant new fiscal and operational risk. VACo urges members to contact the General Assembly to respect the autonomy of local governments and reject this measure.

KEY CONTACTS

- [House of Delegates Emails 1](#) | [House of Delegates Emails 2](#)
- [Senate of Virginia](#)

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

ACTION ITEM: Contact Governor to Oppose SB 443 That Makes Utility-Scale Batteries a By-Right Use

[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. The bill passed both chambers and is headed to the Governor for consideration. VACo opposes the bill and has requested a veto ([see letter](#)).

ACTION REQUESTED

- Contact [Governor Abigail Spanberger](#) and ask her to oppose SB 443.
- Pursuant to the Constitution of Virginia, **the Governor shall, within seven days** (Sundays excepted) after presentment, either approve and sign the bill, return it with objections, or take no action, in which case the bill becomes law without signature. ([Article V. Executive | Section 6b | Constitution of Virginia](#))

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](#).

It is important to note the host siting agreement law was amended in 2021 to include battery storage projects to offset the loss in revenue due to state mandated exemptions from local machinery and tools tax on the equipment - 80% exemption for the first 5 years of operation; 70% exemption for years 6-10; and 60% exemption for years 11 and beyond (see [Legislature passes complex changes to laws regarding the siting](#)

[and taxing of solar and energy storage projects - Virginia Association of Counties](#)).

KEY POINTS

- The 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.
- Additionally, the legislation would remove such installations from the requirements of the host siting agreement law, which have proven very successful for solar and BESS projects to be negotiated for approval by localities.
- Without the requirement for an applicant to seek a host siting agreement, and because of loss in revenue due to state-mandated exemption from local taxes, counties cannot adequately address limited resources of their fire departments and public safety operations who must be familiar with the layouts and protocols for each site and have adequate resources to respond to fire and emergency calls.

KEY CONTACT

- [Governor Abigail Spanberger](#)

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

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 pre-filing 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](#)