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HOUSE BILL NO. 2438

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Delegate Mundon King
on January 27, 2025)

(Patron Prior to Substitute—Delegate Mundon King)

A BILL to amend and reenact §§ 15.2-2241.2, 15.2-2288.7, and 15.2-2288.8 of the Code of Virginia, relating to local regulation of solar facilities; special exceptions.

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-2241.2, 15.2-2288.7, and 15.2-2288.8 of the Code of Virginia are amended and reenacted as follows:

§ 15.2-2241.2. Bonding provisions for decommissioning of solar energy equipment, facilities, or devices; decommissioning plan cost estimate updates.

A. As used in this section, unless the context requires a different meaning:

"Decommission" means the removal and proper disposal of solar energy equipment, facilities, or devices on real property that has been determined by the locality to be subject to § 15.2-2232 and therefore subject to this section. "Decommission" includes the reasonable restoration of the real property upon which such solar equipment, facilities, or devices are located, including (i) soil stabilization and (ii) revegetation of the ground cover of the real property disturbed by the installation of such equipment, facilities, or devices.

"Solar energy equipment, facilities, or devices" means any personal property designed and used primarily for the purpose of collecting, generating, or transferring electric energy from sunlight.

B. As part of the local legislative approval process or as a condition of approval of a site plan, a locality shall require an owner, lessee, or developer of real property subject to this section to enter into a written agreement to decommission solar energy equipment, facilities, or devices upon the following terms and conditions: (i) if the party that enters into such written agreement with the locality defaults in the obligation to decommission such equipment, facilities, or devices in the timeframe set out in such agreement, the locality has the right to enter the real property of the record title owner of such property without further consent of such owner and to engage in decommissioning, and (ii) such owner, lessee, or developer provides financial assurance of such performance to the locality in the form of certified funds, cash escrow, bond, letter of credit, or parent guarantee, based upon an estimate of a professional engineer licensed in the Commonwealth, who is engaged by the applicant, with experience in preparing decommissioning estimates and approved by the locality; such estimate shall not exceed the total of the projected cost of decommissioning, which may include the net salvage value of such equipment, facilities, or devices, plus a reasonable allowance for estimated administrative costs related to a default of the owner, lessee, or developer, and an annual inflation factor.

C. The developer shall hire a professional engineer licensed in the Commonwealth to update the decommissioning plan cost estimate and corresponding approved financial instrument every five years after the approval of the first decommissioning plan to adjust for inflation, account for advancements in technologies and processes for decommissioning, salvaging, or re-powering of renewable energy facilities, and to make any other necessary changes. The decommissioning plan shall remove the facility's equipment from the landowner's property and return the property to a useful condition similar to the preconstruction condition unless otherwise agreed to by the landowner. After the decommissioning process is complete, the facility shall comply with all stormwater provisions in state law. The project shall provide an up-to-date decommissioning plan to the locality any time there is project ownership outside of the current developer. Notice shall be provided to the local government within 30 days of the sale or transfer of the lease or property, and a new financial guarantee shall be provided by the new leaseholder or property owner.

§ 15.2-2288.7. Local regulation of solar facilities.

A. An owner of a residential dwelling unit may install a solar facility on the roof of such dwelling to serve the electricity or thermal needs of that dwelling, provided that such installation is (i) in compliance with any height and setback requirements in the zoning district where such property is located and (ii) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Unless a local ordinance provides otherwise, a ground-mounted solar energy generation facility to be located on property zoned residential shall be permitted, provided that such installation is (a) in compliance with any height and setback requirements in the zoning district where such property is located and (b) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Except as provided herein, any other solar facility proposed on property zoned residential, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located, shall be subject to any applicable zoning regulations of the locality.

B. An owner of real property zoned agricultural may install a solar facility on the roof of a residential dwelling on such property, or on the roof of another building or structure on such property, to serve the electricity or thermal needs of that property upon which such facilities are located, provided that such installation is (i) in compliance with any height and setback requirements in the zoning district where such property is located and (ii) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. ~~Unless a local ordinance provides otherwise, a~~ *A* ground-mounted solar energy generation facility to be located on property zoned agricultural and to be operated under § 56-594 or 56-594.2 shall be permitted, provided that such installation is (a) in compliance with any height and setback requirements in the zoning district where such property is located and (b) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Except as otherwise provided herein, any other solar facility proposed on property zoned agricultural, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located, shall be ~~subject to any applicable zoning regulations of the locality~~ *permitted pursuant to § 15.2-2288.8 unless otherwise permitted by right.*

C. An owner of real property zoned commercial, industrial, or institutional may install a solar facility on the roof of one or more buildings located on such property to serve the electricity or thermal needs of that property upon which such facilities are located, provided that such installation is (i) in compliance with any height and setback requirements in the zoning district where such property is located and (ii) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. ~~Unless a local ordinance provides otherwise, a~~ *A* ground-mounted solar energy generation facility to be located on property zoned commercial, industrial, or institutional shall be permitted, provided that such installation is (a) in compliance with any height and setback requirements in the zoning district where such property is located and (b) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Except as otherwise provided herein, any other solar facility proposed on property zoned commercial, industrial, or institutional, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located, shall be ~~subject to any applicable zoning regulations of the locality~~ *permitted pursuant to § 15.2-2288.8 unless otherwise permitted by right.*

D. An owner of real property zoned mixed-use may install a solar facility on the roof of one or more buildings located on such property to serve the electricity or thermal needs of that property upon which such facilities are located, provided that such installation is (i) in compliance with any height and setback requirements in the zoning district where such property is located and (ii) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Unless a local ordinance provides otherwise, a ground-mounted solar energy generation facility to be located on property zoned mixed-use shall be permitted, provided that such installation is (a) in compliance with any height and setback requirements in the zoning district where such property is located and (b) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Except as provided herein, any other solar facility proposed on property zoned mixed-use, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located, shall be subject to any applicable zoning regulations of the locality.

E. Nothing in this section shall be construed to supersede or limit contracts or agreements between or among individuals or private entities related to the use of real property, including recorded declarations and covenants, the provisions of condominium instruments of a condominium created pursuant to the Virginia Condominium Act (§ 55.1-1900 et seq.), the declaration of a common interest community as defined in § 54.1-2345, the cooperative instruments of a cooperative created pursuant to the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), or any declaration of a property owners' association created pursuant to the Property Owners' Association Act (§ 55.1-1800 et seq.).

F. A locality, by ordinance, may provide by-right authority for installation of solar facilities in any zoning classification in addition to that provided in this section. A locality may also, by ordinance, require a property owner or an applicant for a permit pursuant to the Uniform Statewide Building Code (§ 36-97 et seq.) who removes solar panels to dispose of such panels in accordance with such ordinance in addition to other applicable laws and regulations affecting such disposal.

§ 15.2-2288.8. Special exceptions for solar photovoltaic projects.

A. ~~Any~~ *Each* locality ~~may grant~~ *shall require* a special exception pursuant to § 15.2-2286 *and subsection C of § 15.2-2288.7 or a siting agreement pursuant to § 15.2-2316.7*, and *shall* include in its zoning ordinance ~~reasonable~~ regulations and provisions *consistent with this section* for a special exception as defined in § 15.2-2201, for any solar photovoltaic (electric energy) project or energy storage project. For the purposes of

this section, "energy storage project" means energy storage equipment and technology within an energy storage project that is capable of absorbing energy, storing such energy for a period of time, and redelivering such energy after it has been stored. *For the purposes of this section, "solar photovoltaic project" means a ground-mounted solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located.*

Any special exception granted pursuant to this section shall comply with the following criteria. Where numerical ranges are attached to criteria, localities may choose to establish an ordinance that specifies any number within the applicable range that they deem appropriate for their community. In the issuance of a special exception, a variance from these ordinance criteria may be implemented only with a written agreement of the locality and the project developer. Nothing in this section shall be construed to relieve projects of the responsibility to comply with all relevant state and federal permits and regulations, including those related to tree canopy. Nothing in this section shall require a locality to approve a special exception application considered pursuant to this section.

1. Setback distances shall be measured from the nearest edge of the solar equipment as follows: (i) between 150 and 300 feet from the nearest point on the outer wall of existing occupied community buildings and dwellings on non-participating properties, (ii) between 50 and 100 feet from the outside edge of the roadbed of any state-maintained road abutting the property, (iii) between 50 and 100 feet from the edge of wetlands and streams, and (iv) between 50 and 150 feet measured from the nearest shared property line for nonparticipating properties. Nothing in this section shall preclude the owner of a nonparticipating property from waiving the foregoing setback requirements by written agreement. Setbacks shall not be required for internal boundaries between adjacent participating parcels.

2. Fencing for the solar energy facility must comply with § 55.1-2804, the latest version of the National Electrical Safety Code or any applicable successor standard regarding requirements for limiting access to solar facilities, and the Uniform Statewide Building Code (§ 36-97 et seq.). Vegetative visual screening requirements shall not be required to exceed between three and four feet at planting and shall allow for consideration of preexisting natural or manmade visual barriers.

3. The height of solar panels shall not exceed a maximum height of 25 feet above ground when the arrays are at full tilt, except in cases where a height variance is necessary to allow for agrivoltaics activity below or in proximity to the panels. For purposes of this section, "agrivoltaics" means the practice of using the same land for both agriculture and solar energy production.

4. Visual impacts of solar facilities on public parks, scenic rivers and byways, and historic structures or sites listed on or eligible for the National Register of Historic Places or a County Register of Historic Places, shall be minimized. A locality may request a viewshed analysis as part of the special exception application to assure that visual impacts are minimized through solar panel placement, height, landscaping, and screening. Such analysis shall account for existing vegetation and planned visual buffers. Such screening may be accomplished on any property with the consent of the property owner.

5. The solar energy facility shall implement light intensity dimming solution technology that provides a means of tailoring the intensity level of lights according to surrounding visibility.

6. The solar energy facility shall comply with all Department of Environmental Quality stormwater regulations as established in 9VAC25-880.

7. The solar energy facility shall minimize new impervious surface on the site and under its solar panels.

8. Land disturbance, including site grading, construction, and landscaping, shall be conducted in compliance with a Stormwater Pollution Prevention Plan. Topsoil shall not be removed from the project site. Topsoil shall be returned to disturbed areas from stockpiles as quickly as site conditions allow, unless returning soil would cause adverse impacts to topsoil integrity, or is otherwise not practicable for construction activities. Site stabilization shall occur as the site is developed, following appropriate stabilization timelines as identified in the General Permit for Discharges of Stormwater from Construction Activities, and shall not be delayed until site construction is completed. The facility shall decompact soil as necessary and feasible for re-vegetation after construction has concluded.

9. When all land-disturbing activities at the construction site have been completed, the facility shall initiate permanent stabilization to provide vegetative ground cover that provides a minimum level of coverage over the project site. An ordinance may require up to 75 percent vegetative cover with no significant bare areas that is mature enough to survive and will inhibit erosion. The use of native and naturalized plants shall be encouraged and invasive plants shall be prohibited. For projects or portions of projects not used for animal grazing, co-located crop production, native and naturalized pollinator plant species, or native and naturalized meadow species shall be planted, except for in the area directly beneath panels, and maintained throughout the solar project's life. The seed mix shall include a diversity of species with varied bloom times. Mowing shall be limited and performed on a schedule that promotes the establishment of the native plantings, controls invasive species, and minimizes impacts to wildlife. All trees and shrubs at the time of planting must accommodate adequate screening or buffering by the end of between four and five years of planting. Vegetation used to establish a visual screen shall not be trimmed to stunt

upward and outward growth or to otherwise limit the effectiveness of the visual screen.

10. The solar energy facility shall provide for wildlife passage where needed by limiting fencing to the areas in reasonable proximity to arrays and interconnection equipment to the extent practicable and consistent with safety and security requirements. The facility shall prioritize open wildlife access to riparian areas, wetlands, streams, and other areas not in proximity to panels.

11. The solar energy facility shall comply with all applicable state and federal labor and employment laws, including apprenticeships and labor standards necessary to achieve any relevant tax credit bonuses found in 26 U.S.C. §§ 45Y and 48E.

12. A locality shall require a solar developer to enter into a written agreement to decommission solar energy equipment, facilities, or devices pursuant to § 15.2-2241.2.

B. The governing body of such locality may grant a condition that includes (i) dedication of real property of substantial value or (ii) substantial cash payments for or construction of substantial public improvements, the need for which is not generated solely by the granting of a conditional use permit, so long as such conditions are reasonably related to the project.

C. Once a condition is granted pursuant to subsection B, such condition shall continue in effect until a subsequent amendment changes the zoning on the property for which the conditions were granted. However, such conditions shall continue if the subsequent amendment is part of a comprehensive implementation of a new or substantially revised zoning ordinance.