

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB919H1

Patron: Salim

Bill Title: Private companies providing public transportation services; employee protections.

Bill Summary: Requires the governing body or transportation district commission of any county or city that contracts with a private company to provide transportation services to (i) provide each of its employees (a) compensation at an hourly rate equivalent to the hourly rate paid to an employee of such county or city holding a position requiring equivalent qualifications based on such employee's years of service and the county or city wage progression and (b) benefits, including health and retirement benefits, that are, at a minimum, actuarially equivalent to the benefits provided to an employee of such county or city with a position requiring equivalent qualifications and years of service; (ii) provide transportation services through its own employees; and (iii) ensure that all employees of such public transportation system employed by a predecessor private company be offered employment with any successor company without loss of compensation or benefits. Requires a county or city or a transportation district commission that contracts with a private company to provide a system of public transportation and subsequently elects to provide its own system of public transportation to: adopt an ordinance or resolution providing for collective bargaining pursuant to relevant law, if such county or city has not already done so; ensure that all employees of the private company are offered employment with such subsequent system of public transportation without loss of compensation or benefits; and ensure the recognition of any lawful collective bargaining representative of the private company's employees as the collective bargaining representative of such employees.

Budget Amendment Necessary: No.

Items Impacted: None

Fiscal Summary: This bill potentially increases costs by an indeterminate amount for the governing bodies of counties or cities and transportation district commissions in the form of higher costs for the provision of transit services. Per § 33.2-1526.1 of the Code of Virginia, funding for transit services is provided by formula from the Commonwealth Mass Transit Fund to be distributed among localities and districts. Since the funding is fixed by formula, this bill would not have any direct state fiscal impact; however, it could increase operating costs of providing transit services that would need to be made up by the locality or district.

Fiscal Analysis: None.

Other: This is a companion bill to HB2619.