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HOUSE BILL NO. 722

Offered January 14, 2026

Prefiled January 13, 2026

A BILL to amend and reenact § 40.1-27.3 of the Code of Virginia, relating to protection of employees; retaliatory action against employee prohibited.

Patron—Leftwich

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That § 40.1-27.3 of the Code of Virginia is amended and reenacted as follows:

§ 40.1-27.3. Retaliatory action against employee prohibited.

A. As used in this section, "federal or state law or regulation" means any federal law, any law of the Commonwealth, and any regulation published as a final rule in the Federal Register or the Virginia Administrative Code.

An B. No employer shall **not** discharge, discipline, threaten, discriminate against, or penalize an employee, or take other retaliatory action regarding an employee's compensation, terms, conditions, location, or privileges of employment, because the employee:

1. Or a person acting on behalf of the employee in good faith reports a violation of any federal or state law or regulation to a supervisor or to any governmental body or law-enforcement official;

2. Is requested by a governmental body or law-enforcement official to participate in an investigation, hearing, or inquiry;

3. Refuses to engage in a criminal act that would subject the employee to criminal liability;
4. Refuses an employer's order to perform an action that violates any federal or state law or regulation and the employee informs the employer that the order is being refused for that reason; or

the employee informs the employer that the order is being refused for that reason, or

5. Provides information to or testifies before any governmental body or law-enforcement official conducting an investigation, hearing, or inquiry into any alleged violation by the employer of federal or state law or regulation.

law or regulation.

B. C. This section does not:

1. Authorize an employee to make a disclosure of data otherwise protected by law or any legal privilege;
2. Permit an employee to make statements or disclosures knowing that they are false or that they are in

3. Permit disclosures that would violate federal or state law or regulation or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by common law.

C. D. A person who alleges a violation of this section may bring a civil action in a court of competent jurisdiction within one year of the employer's prohibited retaliatory action. The court may order as a remedy

Jurisdiction within one year of the employer's prohibited retaliatory action. The court may order as a remedy to the employee (i) an injunction to restrain continued violation of this section, (ii) the reinstatement of the employee to the same position held before the retaliatory action or to an equivalent position, and (iii) compensation for lost wages, benefits, and other remuneration, together with interest thereon, as well as reasonable attorney fees and costs.

E. Notwithstanding subsection B, no provision of this section shall apply to a violation of § 40.1-51.2:1 that may be remedied pursuant to the provisions of § 40.1-51.2:2.