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HOUSE BILL NO. 1216

Offered January 14, 2026

Prefiled January 14, 2026

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

Patron—Delaney

Referred to Committee on Labor and Commerce

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.

13 A. An employer shall not discharge, discipline, threaten, discriminate against, or penalize an employee, or
14 take other retaliatory action regarding an employee's compensation, terms, conditions, location, or privileges
15 of employment, because the employee:

16 or employment, because the employee
17 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;

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

3. Refuses to engage in a criminal act that would subject the employee to criminal liability;

21 4. Refuses an employer's order to perform an action that violates any federal or state law or regulation and
22 the employee informs the employer that the order is being refused for that reason; or

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

For the purposes of subdivision 1, a good-faith report of a violation of a federal or state law or regulation need not contain specific reference to the law or statute violated.

B. This section does not:

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

reckless disregard of the truth

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

34 C. A person who alleges a violation of this section may bring a civil action in a court of competent
35 jurisdiction within ~~one year of two years after~~ the employer's *most recent* prohibited retaliatory action. The

36 court or jury may order as a remedy to the employee (i) compensation for lost wages, benefits, and other
37 remuneration, together with interest thereon, including treble damages if such violation was willful, and the
38 court may (i) award reasonable attorney fees and costs, (ii) grant an injunction to restrain continued violation
39 of this section; and (ii) (iii) order the reinstatement of the employee to the same position held before the
40 retaliatory action or to an equivalent position; and (iii) compensation for lost wages, benefits, and other
41 remuneration, together with interest thereon, as well as reasonable attorney fees and costs.