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SENATE BILL NO. 731

Offered January 16, 2026

A BILL to amend and reenact §§ 15.2-947 and 33.2-1917 of the Code of Virginia, relating to private companies providing public transportation services; employee protections.

Patron—Salim

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-947 and 33.2-1917 of the Code of Virginia are amended and reenacted as follows:

§ 15.2-947. Systems of public transportation for certain counties or cities; protection of employees.

A. Notwithstanding any other provision of law, the governing body of any county or city not a member of a transportation district, upon finding a need for a system of public transportation and the inability of the governing body to reach a reasonable agreement for membership with an existing transportation district, may create, operate, maintain, or contract for a system of public transportation to be operated in such county or city for the safety, comfort, and convenience of the public. The governing body of any such county or city providing a system of public transportation or desiring to provide such a system may contract with any authority providing public transportation in contiguous localities for transportation services or the interchange of passengers for the purpose of providing continuous service between localities.

B. The governing body of any county or city that contracts with a private company to provide a system of public transportation shall, in its bid specifications, project agreements, or other controlling documents, require such company to:

1. Provide each of its employees (i) 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 (ii) 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;

2. Provide transportation services through its own employees; and

3. 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.

C. If a county or city that contracts with a private company to provide a system of public transportation subsequently elects to provide its own system of public transportation pursuant to subsection A, such county or city shall:

1. Adopt an ordinance or resolution providing for collective bargaining pursuant to subsection A of § 40.1-57.2, if such county or city has not already done so;

2. 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

3. Ensure the recognition of any lawful collective bargaining representative of the private company's employees as the collective bargaining representative of such employees.

§ 33.2-1917. Protection of employees of public transportation systems.

A. In any county or city, the transportation district commission referred to in § 33.2-1915, in addition to other prohibitions, shall not operate any such transit facility, or otherwise provide or cause to be provided any transportation services, unless fair and equitable arrangements have been made for the protection of employees of existing public transportation systems in the transportation district or in the metropolitan area in which the transportation district is located. Such protections shall include (i) assurances of employment to employees of such transportation systems to the fullest extent possible consistent with sound management, and priority of employment or, if terminated or laid off, reemployment; (ii) preservation of rights, privileges, and benefits, including continuation of pension rights and benefits, under existing collective bargaining agreements or otherwise; (iii) continuation of collective bargaining rights; (iv) protection of individual employees against a worsening of their positions with respect to their employment, to the extent provided by 49 U.S.C. § 5333 (b), also known as § 13(c) of the Federal Transit Act; and (v) paid training and retraining programs. Such protections shall be specified by the commission in any contract or lease for the acquisition or operation of any such transit facilities or services. The employees of any transit facility operated by the commission shall have the right, in the case of any labor dispute relating to the terms and conditions of their employment for the purpose of resolving such dispute, to submit the dispute to final and binding arbitration by an impartial umpire or board of arbitration acceptable to the parties.

B. The transportation district commission of any county or city that contracts with a private company to provide transportation services shall, in its bid specifications, project agreements, or other controlling

2/16/26 12:43

59 documents require such company to:

60 1. Provide each of its employees (i) compensation at an hourly rate equivalent to the hourly rate paid to a
61 public employee holding a position requiring equivalent qualifications based on such employee's years of
62 service and the county or city wage progression and (ii) benefits, including health and retirement benefits,
63 that are, at a minimum, actuarially equivalent to the benefits provided to a public employee with a position
64 requiring equivalent qualifications and years of service. For the purposes of this subsection, "public
65 employee" means an employee of any county or city within a transportation district subject to the provisions
66 of subsection C;

67 2. Provide transportation services through its own employees; and

68 3. Ensure that all employees of such public transportation system employed by a predecessor private
69 company be offered employment with any successor company without loss of compensation or benefits.

70 C. If a transportation district commission that contracts with a private company to provide a system of
71 public transportation subsequently elects to provide its own system of public transportation pursuant to
72 subsection A, each county or city within such transportation district shall:

73 1. Adopt an ordinance or resolution providing for collective bargaining pursuant to subsection A of
74 § 40.1-57.2, if such county or city has not already done so;

75 2. Ensure that all employees of the private company are offered employment with such subsequent system
76 of public transportation without loss of compensation or benefits; and

77 3. Ensure the recognition of any lawful collective bargaining representative of the private company's
78 employees as the collective bargaining representative of such employees.