

**Department of Planning and Budget**  
**2026 General Assembly Session**  
**State Fiscal Impact Statement**

**PUBLISHED: 1/26/2026 9:35 AM**

**ORIGINAL**

**Bill Number:** HB508

**Patron:** McAuliff

**Bill Title:** Small renewable energy projects; agrivoltaics definition; advisory panel.

**Bill Summary:** Defines under the provisions relating to small renewable energy projects the term "agrivoltaics" to mean the intentional co-location of agricultural production and solar energy generation on the same land that (i) is designed to prioritize and sustain agricultural productivity while integrating renewable energy; (ii) allows the ongoing production and sale of agricultural products throughout the solar array's life; (iii) is a part of an existing farm business; and (iv) ensures flexibility for farmers to adapt to market conditions and support operational needs. The bill also directs the Virginia Cooperative Extension, in consultation with the Department of Energy, to convene a stakeholder advisory panel to develop recommendations to (i) establish criteria to determine qualifying agrivoltaic projects that are eligible for grant funding through the Virginia Power Innovation Fund and Program, (ii) identify how to monitor and sustain the integrity of agrivoltaic projects, and (iii) consider permitting or provide other incentives that may be effective in promoting agrivoltaic projects in the Commonwealth. The bill directs the stakeholder advisory panel to submit a report on its recommendations to the Secretaries of Agriculture and Forestry and Natural and Historic Resources by November 1, 2026.

**Budget Amendment Necessary:** Yes

**Items Impacted:** 219

**Explanation:** This bill would create a fiscal impact to the Virginia Cooperative Extension (VCE) that cannot be absorbed within existing appropriations.

**Fiscal Summary:** The bill would require a one-time general fund expense of \$50,000.

**General Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
VCE	-	\$50,000	-	-	-	-

**Fiscal Analysis:** The bill defines the term "agrivoltaics" and directs the Virginia Cooperative Extension, in consultation with the Department of Energy, to convene a stakeholder advisory panel to develop certain recommendations related to agrivoltaic projects and to submit a report by November 1, 2026. The Department of Energy anticipates that any costs to the Department associated with participating in the panel can be absorbed. VCE anticipates that the cost of convening the panel, including coordination, travel, and hosting expenses, will be \$50,000, which cannot be absorbed within existing resources.

This fiscal impact statement is preliminary and may be updated if additional information becomes available.

**Other:** This bill is similar to HB 899.