

## 2026 SESSION

**ENGROSSED**

26104779D

## HOUSE BILL NO. 388

House Amendments in [ ] - February 4, 2026

*A BILL to amend and reenact § 15.2-2403 of the Code of Virginia, relating to powers of service districts; control of invasive plants.*

## Patron Prior to Engrossment—Delegate Callsen

Referred to Committee on Counties, Cities and Towns

**Be it enacted by the General Assembly of Virginia:**

1. That § 15.2-2403 of the Code of Virginia is amended and reenacted as follows:

### § 15.2-2403. Powers of service districts.

After adoption of an ordinance or ordinances or the entry of an order creating a service district, the governing body or bodies shall have the following powers with respect to the service districts:

1. To construct, maintain, and operate such facilities and equipment as may be necessary or desirable to provide additional, more complete, or more timely governmental services within a service district, including but not limited to general government facilities; water supply, dams, sewerage, garbage removal and disposal, heat, light, fire-fighting equipment and power and gas systems and sidewalks; economic development services; promotion of business and retail development services; beautification and landscaping; *control of [invasive plants the spread of plants on the list of invasive plant species established by the Department of Conservation and Recreation pursuant to § 10.1-104.6:2 ]*; beach and shoreline management and restoration; dredging of creeks and rivers to maintain existing uses; control of infestations of insects that may carry a disease that is dangerous to humans, gypsy moths, cankerworms or other pests identified by the Commissioner of the Department of Agriculture and Consumer Services in accordance with the Virginia Pest Law (§ 3.2-700 et seq.); public parking; extra security, street cleaning, snow removal and refuse collection services; sponsorship and promotion of recreational and cultural activities; upon petition of over 50 percent of the property owners who own not less than 50 percent of the property to be served, construction, maintenance, and general upkeep of streets and roads; construction, maintenance, and general upkeep of streets and roads through creation of urban transportation service districts pursuant to § 15.2-2403.1; and other services, events, or activities that will enhance the public use and enjoyment of and the public safety, public convenience, and public well-being within a service district. Such services, events, or activities shall not be undertaken for the sole or dominant benefit of any particular individual, business or other private entity. Any transportation service, system, facility, roadway, or roadway appurtenance established under this subdivision that will be operated or maintained by the Virginia Department of Transportation shall be established with the involvement of the governing body of the locality and meet the appropriate requirements of the Department.

2. Notwithstanding the provisions of § 33.2-326, to provide, in addition to services authorized by subdivision 1, transportation and transportation services within a service district, regardless of whether the facilities subject to the services are or will be operated or maintained by the Virginia Department of Transportation, including, but not limited to: public transportation systems serving the district; transportation management services; road construction, including any new roads or improvements to existing roads; rehabilitation and replacement of existing transportation facilities or systems; and sound walls or sound barriers. However, any transportation service, system, facility, roadway, or roadway appurtenance established under this subdivision that will be operated or maintained by the Virginia Department of Transportation shall be established with the involvement of the governing body of the locality and meet the appropriate requirements of the Department. The proceeds from any annual tax or portion thereof collected for road construction pursuant to subdivision 6 may be accumulated and set aside for such reasonable period of time as is necessary to finance such construction; however, the governing body or bodies shall make available an annual disclosure statement, which shall contain the amount of any such proceeds accumulated and set aside to finance such road construction.

3. To acquire in accordance with § 15.2-1800, any such facilities and equipment and rights, title, interest or easements therefor in and to real estate in such district and maintain and operate the same as may be necessary and desirable to provide the governmental services authorized by subdivisions 1 and 2.

4. To contract with any person, municipality or state agency to provide the governmental services authorized by subdivisions 1 and 2 and to construct, establish, maintain, and operate any such facilities and equipment as may be necessary and desirable in connection therewith.

5. To require owners or tenants of any property in the district to connect with any such system or systems, and to contract with the owners or tenants for such connections. The owners or tenants shall have the right of appeal to the circuit court within 10 days from action by the governing body.

59       6. To levy and collect an annual tax upon any property in such service district subject to local taxation to  
60       pay, either in whole or in part, the expenses and charges for providing the governmental services authorized  
61       by subdivisions 1, 2 and 11 and for constructing, maintaining, and operating such facilities and equipment as  
62       may be necessary and desirable in connection therewith; however, such annual tax shall not be levied for or  
63       used to pay for schools, police, or general government services not authorized by this section, and the  
64       proceeds from such annual tax shall be so segregated as to enable the same to be expended in the district in  
65       which raised. Such tax may be levied on taxable real estate zoned for residential, commercial, industrial or  
66       other uses, or any combination of such use classification, within the geographic boundaries of the service  
67       district; however, such tax shall only be levied upon the specific classification of real estate that the local  
68       governing body deems the provided governmental services to benefit. In addition to the tax on property  
69       authorized herein, in the City of Virginia Beach, the city council shall have the power to impose a tax on the  
70       base transient room rentals, excluding hotels, motels, and travel campgrounds, within such service district at a  
71       rate or percentage not higher than five percent which is in addition to any other transient room rental tax  
72       imposed by the city. The proceeds from such additional transient room rental tax shall be deposited in a  
73       special fund to be used only for the purpose of beach and shoreline management and restoration. Any locality  
74       imposing a tax pursuant to this subdivision may base the tax on the full assessed value of the taxable property  
75       within the service district, notwithstanding any special use value assessment of property within the service  
76       district for land preservation pursuant to Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1, provided  
77       the owner of such property has given written consent. In addition to the taxes and assessments described  
78       herein, a locality creating a service district may contribute from its general fund any amount of funds it deems  
79       appropriate to pay for the governmental services authorized by subdivisions 1, 2, and 11 of this section.

80       7. To accept the allocation, contribution or funds of, or to reimburse from, any available source, including,  
81       but not limited to, any person, authority, transportation district, locality, or state or federal agency for either  
82       the whole or any part of the costs, expenses and charges incident to the acquisition, construction,  
83       reconstruction, maintenance, alteration, improvement, expansion, and the operation or maintenance of any  
84       facilities and services in the district.

85       8. To employ and fix the compensation of any technical, clerical, or other force and help which from time  
86       to time, in their judgment may be necessary or desirable to provide the governmental services authorized by  
87       subdivisions 1, 2 and 11 or for the construction, operation, or maintenance of any such facilities and  
88       equipment as may be necessary or desirable in connection therewith.

89       9. To create and terminate a development board or other body to which shall be granted and assigned such  
90       powers and responsibilities with respect to a special service district as are delegated to it by ordinance  
91       adopted by the governing body of such locality or localities. Any such board or alternative body created shall  
92       be responsible for control and management of funds appropriated for its use by the governing body or bodies,  
93       and such funds may be used to employ or contract with, on such terms and conditions as the board or other  
94       body shall determine, persons, municipal or other governmental entities or such other entities as the  
95       development board or alternative body deems necessary to accomplish the purposes for which the  
96       development board or alternative body has been created. If the district was created by court order, the  
97       ordinance creating the development board or alternative body may provide that the members appointed to the  
98       board or alternative body shall consist of a majority of the landowners who petitioned for the creation of the  
99       district, or their designees or nominees.

100       10. To negotiate and contract with any person or municipality with regard to the connections of any such  
101       system or systems with any other system or systems now in operation or hereafter established, and with  
102       regard to any other matter necessary and proper for the construction or operation and maintenance of any  
103       such system within the district.

104       11. To acquire by purchase, gift, devise, bequest, grant, or otherwise title to or any interests or rights of  
105       not less than five years' duration in real property that will provide a means for the preservation or provision of  
106       open-space land as provided for in the Open-Space Land Act (§ 10.1-1700 et seq.). Notwithstanding the  
107       provisions of subdivision 3, the governing body shall not use the power of condemnation to acquire any  
108       interest in land for the purposes of this subdivision.

109       12. To contract with any state agency or state or local authority for services within the power of the  
110       agency or authority related to the financing, construction, or operation of the facilities and services to be  
111       provided within the district; however, nothing in this subdivision shall authorize a locality to obligate its  
112       general tax revenues, or to pledge its full faith and credit.

113       13. In the Town of Front Royal, to construct, maintain, and operate facilities, equipment, and programs as  
114       may be necessary or desirable to control, eradicate, and prevent the infestation of rats and removal of skunks  
115       and the conditions that harbor them.

116       14. In Accomack County, to construct, maintain, and operate in the Wallops Research Park, consistent  
117       with all applicable federal, state, and local laws and regulations, such infrastructure, services, or amenities as  
118       may be necessary or desirable to provide access for aerospace-related economic development to the  
119       NASA/Wallops Flight Facility runway and related facilities, and to create and terminate a Wallops Research  
120       Park Partnership body, which shall consist of one representative of the NASA/Wallops Research Flight

121 Facility, one representative of the U.S. Navy Surface Combat Systems Center, one representative of the  
122 Marine Science Consortium, one representative of the Accomack County government, the Chancellor of the  
123 Virginia Community College System, and one representative of the Virginia Economic Development  
124 Partnership. The Partnership body shall have all of the powers enumerated in § 15.2-2403. Federal appointees  
125 to the Partnership body shall maintain their absolute duties of loyalty to the U.S. government.

126 15. To contract with a nongovernmental broadband service provider who will construct, maintain, and  
127 own communications facilities and equipment required to facilitate delivery of last-mile broadband services  
128 to unserved areas of the service district, provided that the locality documents that less than 10 percent of  
129 residential and commercial units within the project area are capable of receiving broadband service at the  
130 time the construction project is approved by the locality.

131 As used in this subdivision:

132 "Area unserved by broadband" means a designated area in which less than 10 percent of residential and  
133 commercial units are capable of receiving broadband service, provided that the Department of Housing and  
134 Community Development for its Virginia Telecommunication Initiative may by guidelines modify such  
135 percentage from time to time.

136 "Broadband" means Internet access at speeds greater than 10 Mbps download speed and one Mbps upload  
137 speed, provided that the Department of Housing and Community Development for its Virginia  
138 Telecommunication Initiative may by guidelines modify such speeds from time to time.

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