

Energy received \$27.6 million in revenue from the sale of RECs and deposited the cash into a newly created nongeneral fund for the Bank. As of January 16, 2026, Energy obligated \$22.7 million of this funding. The Introduced Caboose Bill, HB29/SB29, directs the State Comptroller to transfer \$2.2 million from the Virginia Clean Energy Innovation Bank Fund, the Fund into which the REC proceeds were deposited, to the general fund by June 30, 2026. After this transfer and current obligations, the estimated unobligated cash balance in the Fund is approximately \$2.7 million.

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

This bill allows funding for expenses of the Board, compensation for employees and agents, start-up costs, grants and investments, and the development of a strategic plan and investment strategy “from funds made available to the Bank.” The bill also authorizes the Bank to hire a President and appropriate staff and to execute the provisions of the bill and responsibilities of the Bank. Such employees are to be eligible for benefits afforded to state employees.

Impact estimates are not yet available from Energy. In 2025, it was anticipated that a bill directing Energy to continue the Bank with similar duties as described in this bill would have resulted in expenses of \$1.2 million in the first year and \$1.0 million ongoing thereafter to support five positions, administrative overhead, and marketing.

It is anticipated that any fiscal impact resulting from service on the Bank’s Board by designees from Energy, the Virginia Economic Development Partnership, and Treasury will be absorbed within existing appropriations.

Additionally, the bill requires all projects for which the Bank provides financing to be submitted to the Treasury Board for review. The Department of the Treasury provides staff support to the Treasury Board. If the increased workload cannot be absorbed by existing staff, additional resources would be needed. Specific impact estimates for Treasury are currently unavailable.

Other: This bill is the companion to SB 225.