

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

PUBLISHED: 2/5/2026 1:15 PM

ORIGINAL

Bill Number: HB935

Patron: Lopez

Bill Title: Virginia Clean Energy and Battery Storage Promotion Program established; report.

Bill Summary: Directs the Director of the Department of Energy to establish the Virginia Clean Energy and Battery Storage Promotion Program. The purpose of the Program is to (i) promote the adoption, deployment, and understanding of solar energy and battery storage technologies; (ii) support market development, public information, and workforce development initiatives; and (iii) conduct research and technical studies on cost reduction, deployment barriers, and grid integration. The bill establishes the Virginia Clean Energy and Battery Storage Promotion Board as a policy board in the executive branch of state government to coordinate with the Director to establish a program for the promotion, research, and market development of clean energy and battery storage. Additionally, the bill establishes the Virginia Clean Energy and Battery Storage Promotion Fund to fund the administration and implementation of the Program. The bill requires the developer of a solar energy project or an energy storage system to pay a one-time fee of \$0.02 per watt of generation or storage capacity to the Fund. The fee is assessed by the Department of Energy.

Budget Amendment Necessary: See Fiscal Analysis **Items Impacted:** None

Explanation: This bill impacts the Department of Energy; however, the fiscal impact is indeterminate.

Fiscal Summary: It is anticipated that this bill will result in an indeterminate nongeneral fund revenue and expenditure impact to the Department of Energy. Energy has not provided a fiscal impact estimate for this bill.

The program will be supported by fee revenue as set out in the bill. Revenue estimates are not yet available. Appropriation can be provided administratively based on actual revenue received once the fee takes effect.

Fiscal Analysis: This fiscal impact statement is preliminary. This bill creates the Virginia Clean Energy and Battery Storage Promotion Board, a policy board within the executive branch; the Virginia Clean Energy and Battery Storage Promotion Research, and Market Development Program within the Department of Energy; and the Virginia Clean Energy and Battery Storage Promotion Fund.

Energy would be responsible for organizing meetings of the Board, administration of the Fund, and implementation of the Program, and collection of associated fees. The bill imposes a fee of two cents per watt, as measured by nameplate or storage capacity, for new solar energy facilities and battery storage systems. Fee revenue would be deposited in the Fund. The bill provides that revenue in the Fund may be used for both administrative and programmatic expenses. Estimates of revenue generated from the fees are not yet available. It is anticipated that expenditures related to the Board, Program, and Fund would not exceed revenue from the fees.

Other: None.