

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

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ORIGINAL

Bill Number: HB675

Patron: Maldonado

Bill Title: Protection of employees; coercion or threat based on immigration status; civil penalty.

Bill Summary: Prohibits an employer, including the Commonwealth and its agencies and political subdivisions, from using coercion or issuing a threat to an employee based on immigration status in furtherance of committing a violation of the Virginia Minimum Wage Act or provisions related to the payment of wages. An aggrieved employee is permitted to file a complaint with the Commissioner of Labor and Industry within 180 days of the alleged coercive action or threat. The bill authorizes the Commissioner to investigate such complaints and, if the allegation is substantiated, to impose a civil penalty in the following amounts: (i) up to \$5,000 for the first violation, (ii) up to \$9,000 for the second violation, and (iii) up to \$12,000 for any subsequent violation. The bill also authorizes the Commissioner to seek injunctive relief as may be necessary for enforcement.

Budget Amendment Necessary: No

Items Impacted: N/A

Explanation: This bill involves the Department of Labor and Industry (DOLI); however, no budget action is required. See Fiscal Analysis section, below.

Fiscal Summary: It is anticipated that DOLI may have an increase in workload impact as a result of this bill; however, any expenditure impact is indeterminate. This bill may also result in an indeterminate general fund revenue impact.

Fiscal Analysis: This fiscal impact statement is preliminary and will be updated as additional information is received.

This bill prohibits an employer from using coercion or issuing a threat to an employee based on immigration status in furtherance of committing a violation of the Virginia Minimum Wage Act or provisions related to the payment of wages. Employees who believe that they were subject to coercion or issued a threat by their employer may file a complaint with the Commissioner within 180 days of the alleged action, and the Commissioner has the authority to investigate complaints, impose a civil penalty if an allegation is substantiated, and seek injunctive relief as may be necessary for enforcement.

DOLI is responsible for investigating and enforcing Virginia Minimum Wage Act and payment of wages violations. DOLI anticipates that there may be an increase in workload under the provisions of this bill. It is anticipated that the number of inquiries, complaints, investigations, and enforcement actions related to these violations and the use of coercion or threats to an employee based on immigration status, as well as the technical assistance and guidance that the agency provides, may increase as a result of this bill; however, this amount is indeterminate.

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Depending on the number of additional inquiries, complaints, investigations, enforcement actions, and technical assistance and guidance tasks that may result from this bill, additional positions may be needed at the agency. The ongoing general fund cost is \$120,743 for a Program Support Technician position, \$137,907 for a Compliance Officer, and \$168,022 for a Hearing and Legal Service Officer II attorney position. Any funding provided can be allocated to Item 352 of HB30/SB30, as introduced.

Under this bill, paragraph F of § 40.1-28.7:12, Code of Virginia, authorizes the Commissioner to impose a civil penalty of up to \$5,000 for the first violation, up to \$9,000 for the second violation, and up to \$12,000 for any subsequent violation. Civil penalties assessed under this section shall be paid to the Commissioner for deposit in the general fund. Any general fund revenue impact as a result of this bill is indeterminate.

Under this section, “employer” includes the Commonwealth and any of its agencies, institutions, or political subdivisions. The Department of Human Resource Management does not anticipate a fiscal impact as a result of this bill.

Other: None.