

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

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ORIGINAL

Bill Number: HB494-EH2

Patron: Guzman

Bill Title: Virginia Personnel Act; hiring preference in state government; certain former federal employees.

Bill Summary: Establishes that for any person who was terminated from a position of employment with the federal government on or after January 1, 2025, due to a reduction in the federal budget or initiatives put in place by the federal Department of Government Efficiency, such person's status as a former federal employee and such prior federal employment is deemed a preferred qualification for employment with the Commonwealth, provided that such person meets all of the knowledge, skill, and ability requirements for the available position. Language in the bill states that the provisions are not to be construed to require the selection of any applicant or create an entitlement to employment.

The Department of Human Resource Management is directed to modify the state employment application system to permit an applicant for an open position to (i) self-identify as a former federal employee whose former federal employee status may be considered under the provisions of this act, and (ii) indicate if they have documentation to verify such status, as well as submit a report on or before January 1 each year to report the number of candidates who self-identified as former federal employees and the number of jobs offered to such candidates. The bill sunsets on January 21, 2029.

Budget Amendment Necessary: No

Items Impacted: N/A

Fiscal Summary: The Department of Human Resource Management (DHRM) indicates that the requirements in the bill can be accomplished with existing staff and therefore do not create a fiscal impact.

Fiscal Analysis: See "Fiscal Summary".

Other: None.