

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

to transfer \$2.2 million from the Virginia Clean Energy Innovation Bank Fund 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. Energy recently sold additional RECS and is anticipated to receive the proceeds on or before March 31, 2026. This sale will provide Energy with approximately \$4.7 million to support its operations and projects.

The bank would be tasked with providing grants, loans, and other funding mechanisms to projects that generate clean energy, promote energy efficiency, and reduce greenhouse gas emissions. The bill specifies a number of duties, including applying for federal grants, leveraging private investment, coordinating with a range of partners, stimulating demand for qualified projects through outreach and partnerships, and supporting projects in all regions of the state. The bank would be required to produce a strategic plan, a long-term investment strategy, and annual report, and to hold public quarterly meetings.

According to Energy, the agency currently anticipates annual administrative expenses for the bank of \$400,000 in its current form, this includes support for the existing director and investment lead positions. To meet the requirements of the bill, Energy anticipates hiring two additional positions and incurring additional overhead expenses, resulting in a total operating cost of \$1.0 million in FY 2027 and \$923,500 in FY 2028. The expenses in FY 2027 include a one-time expenditure of \$100,000 for the establishment of a website.

The bill authorizes the bank to collect reasonable fees for services. Revenue estimates are indeterminate and dependent on demand for services.

Other: HB 1444 would establish the Virginia Clean Energy Innovation Bank as a separate entity.