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

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Bill Number: HB1502H1 **Patron:** Guzman
Bill Title: State Air Pollution Control Board; emissions standards for standby generators; data centers.

Bill Summary: The bill requires the Department of Environmental Quality (DEQ) to conduct a one-year study of all standby generators used by commercial facilities with an air permit in the Commonwealth, including data centers as defined in § 58.1-3506, Code of Virginia. The bill requires that the study identify facilities that use standby generators, identify the types of pollutants emitted from those generators, and analyze and describe the amount of pollutants emitted. DEQ is further required to report findings and any recommendations to the Chairs of the House Committee on Agriculture, Chesapeake and Natural Resources and the Senate Committee on Agriculture, Conservation and Natural Resources by July 1, 2027.

Budget Amendment Necessary: **Yes** **Items Impacted:** **367, HB30**
Explanation: This bill involves DEQ. A general fund budget amendment is required to implement its provisions.
Fiscal Summary: It is anticipated that DEQ will require one-time general fund appropriation of $250,000 in FY 2027 under Item 367, HB30/SB30 to implement this bill.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DEQ (440)		$250,000				
TOTAL		**$250,000**				

Fiscal Analysis: This fiscal impact is preliminary. It is anticipated that the requirements of this bill will result in a total cost of $250,000 to DEQ. The bill requires that DEQ identify commercial facilities with air permits that use standby generators, identify the types of pollutants emitted, analyze and describe the amount of pollutants emitted, and report its findings by July 1, 2027.

DEQ anticipates that it will need to create a database containing information about each permitted standby generator, including its emissions limits and actual emissions, in order to complete the study. The $250,000 cost reflects the creation of this new database. According to DEQ, current systems do not contain generator-level information in a single database structured to perform the analysis required by the bill.

Other: None.