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

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Bill Number: HB1081 **Patron:** Webert
Bill Title: Office of Working Lands Preservation; powers and duties; small renewable energy projects fees.

Bill Summary: Requires the Office of Working Lands Preservation to serve as a trustee to administer the in-lieu fees in trust for small renewable energy projects. The bill requires such fees to be used to acquire conservation easements and cover any expenses associated with acquiring such easements.

Budget Amendment Necessary: See analysis **Items Impacted:** 96
Explanation: This bill involves the Department of Forestry (DOF); however, no budget action is needed.

Fiscal Summary: It is anticipated that this bill may result in an indeterminate increase to nongeneral fund expenditures and revenue.

Fiscal Analysis: The bill directs DOF's Office of Working Lands Preservation to serve as trustee to administer the in-lieu fees in trust for small renewable energy projects pursuant to §10.1-1197.6, Code of Virginia, and mirrors provisions in 9VAC15-60. This regulation authorizes the fees to include the projected administrative costs, including agency staff time, trustee costs, legal fees, due diligence costs, and stewardship fees.

DOF anticipates that the cost to administer acquisition of a typical 50-acre mitigation easement would be $29,400. Approximately $8,000 would be attributable to internal costs (staff, overhead) and the remainder would be external payments for legal fees and due diligence costs. DEQ estimates that approximately 10 projects are reviewed annually that may result in in-lieu fees for easements, but the amount per project varies.

According to DOF, staff currently dedicated to conservation easement acquisition do not have the capacity to absorb additional work. If an additional position is needed, DOF estimates the annual cost will be $130,140. If DOF chooses to engage in public outreach and coordination with impacted parties, additional costs may be incurred that may not be covered by the fees.

DOF currently manages 238 conservation easements and adds an average of seven to 17 annually. This activity is supported with a staff of two to three.

Other: None.