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

PUBLISHED: 2/27/2026 10:29 AM **ORIGINAL**

Bill Number: SB403ER **Patron:** Lucas
Bill Title: Power Transformer Manufacturing Grant Fund.

Bill Summary: Establishes the Power Transformer Manufacturing Grant Fund to provide grant installment awards between July 1, 2026, and July 1, 2035, in an amount not to exceed $4.6 million per fiscal year and in an aggregate amount not to exceed $29.4 million, to a qualified company that (i) engages in the manufacture of power transformers, (ii) executes a memorandum of understanding with the Commonwealth, and (iii) is expected to make a capital investment of at least $457,157,000 and create and maintain at least 825 new full-time jobs.

Budget Amendment Necessary: **No.** **Items Impacted:** **N/A.**
Explanation: This bill involves the Virginia Economic Development Partnership Authority and the Secretary of Commerce and Trade; however, a budget amendment is not required.

Fiscal Summary: This bill creates the Power Transformer Manufacturing Grant Fund. Item 101 of the introduced budget bill, HB30/SB30, includes general fund appropriation to support this legislation.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
312	$0	$323,230	$3,659,989	$4,578,156	$3,318,925	$2,920,500
TOTAL	$0	$323,230	$3,659,989	$4,578,156	$3,318,925	$2,920,500

Fiscal Analysis: This impact statement is final. This bill establishes a new grant program referred to as the Power Transformer Manufacturing Grant Fund. The bill stipulates that the Commonwealth will provide an aggregate of $29.4 million, payable over a 10 year period to an eligible company, should the company meet its performance metrics. In any fiscal year, the aggregate amount of grants payable under this section shall not exceed $4.6 million.

HB30/SB30 as introduced includes $323,230 the first year and $3.7 million the second year from the general fund to support this program. Budgetary language in Item 101 references this legislation. Funding will be required in future years to support the program and fulfil commitments made to the company. The Fund will be administered by the Virginia Economic Development Partnership and the Secretary of Commerce and Trade. It is anticipated that any costs to administer the program will be absorbed in current resources.

Other: HB799 is the companion to this bill.