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

PUBLISHED: 3/16/2026 9:23 AM **ORIGINAL**

Bill Number: HB938ER **Patron:** Clark
Bill Title: Publicly owned treatment works; monitoring of PFAS.

Bill Summary: Expands per- and polyfluoroalkyl substances (PFAS) monitoring by requiring the Department of Environmental Quality (DEQ) to receive and manage new streams of PFAS discharge data from publicly owned treatment works. Publicly owned treatment works must require specified industrial users to conduct PFAS monitoring and must submit the monitoring results they receive to DEQ on a quarterly basis, using a format prescribed by the Department. The bill also directs how PFAS use is defined for monitoring purposes, applies an approved federal testing method without requiring additional laboratory certification, preserves the Department's existing regulatory authority, and requires publicly owned treatment works to notify affected industrial users of the new monitoring requirements shortly after the law takes effect.

Budget Amendment Necessary: **Yes** **Items Impacted:** **366, HB30/SB30**
Explanation: This bill involves DEQ; a general fund budget amendment is required to implement the provisions of the bill.

Fiscal Summary: It is anticipated that DEQ will require additional general fund appropriation of $1.6 million in FY 2027 and $1.1 million each fiscal year thereafter, along with nine positions under Item 366, HB30/SB30, to implement this bill.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DEQ (440)	0	$1,625,000	$1,125000	$1,125000	$1,125000	$1,125000
TOTAL	**0**	**$1,625,000**	**$1,125000**	**$1,125000**	**$1,125000**	**$1,125000**

Position Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DEQ (440)	0	9	9	9	9	9
TOTAL	**0**	**9**	**9**	**9**	**9**	**9**

Fiscal Analysis: This fiscal impact is final. DEQ estimates the fiscal impact of the bill at $1.6 million in the first year and $1.1 million annually thereafter, reflecting the need for nine new positions, as well as one-time data system development costs. The bill establishes new PFAS monitoring requirements that apply to a population not currently regulated by DEQ. Unlike existing Virginia Pollutant Discharge Elimination System (VPDES) permittees, the affected facilities may include any commercial or industrial entity that discharges wastewater to a publicly owned treatment works and falls within the bill's PFAS-related categories. As a result, this work is entirely new and cannot be absorbed within existing monitoring or enforcement capacity.

As currently established, VPDES Permit Regulation defines industrial wastewater as wastewater generated in a commercial or industrial process. Under the bill, PFAS monitoring requirements are triggered by industrial activity type and discharge to a sewer system, rather than by existing permit status. DEQ states that because publicly owned treatment works serve broad commercial and industrial communities, the potentially affected universe is large and indeterminate and may include up to tens of thousands of facilities statewide, depending on how publicly owned treatment works identify qualifying industrial users. These are facilities not currently tracked or regulated by DEQ.

Ongoing general fund expenditures estimated by DEQ reflect nine positions, anticipated to cost $1.1 million annually. Staffing impacts include three central office positions responsible for developing and overseeing statewide PFAS monitoring procedures, coordinating implementation across regions, managing enforcement consistency, and administering PFAS data collection, reporting, and analytics. Six regional positions would work directly with publicly owned treatment works and associated collection systems to identify qualifying industrial users, coordinate required notifications, support implementation of monitoring requirements, and conduct ongoing compliance follow up. DEQ states that although workload is expected to be highest in the first year due to initial identification and setup activities, the bill permanently expands the regulated population, with staff shifting thereafter to ongoing compliance oversight, data management, and enforcement.

Finally, DEQ estimates $500,000 in first year costs to expand existing data repositories or develop new systems capable of receiving, storing, and analyzing PFAS monitoring data submitted by publicly owned treatment works.

Senate amendments to SB30, as introduced, include $1.6 million the first year and $1.1 million the second year from the general fund for DEQ to carry out these requirements, as required in SB138, the companion to this bill.

Other: Amendments to HB30 adopted by the House include $650,000 from the general fund each year and five positions to support the additional workload of PFAS Action Plan Development and permit administration.