



## Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: April 6, 2026

### House Bill 422

**Version:** Enrolled

**Patron:** Cole, N.T.

**Title:** Water utilities; prohibition of multiple rate increases within three-year period for water utilities.

**Summary:** Prohibits a public utility authorized to furnish water or water and sewer service from filing an application for a rate increase more frequently than once in any three-year period. The bill provides exceptions to such prohibition for the utility to file an application (i) for a decrease in rates; (ii) limited to a rate adjustment clause, rider, or surcharge; (iii) for a temporary emergency increase in rates; or (iv) for an increase upon a finding by the State Corporation Commission that extraordinary circumstances exist. The provisions of the bill do not become effective unless reenacted by the 2027 Session of the General Assembly.

**Effective Date(s):** The provisions of the bill do not become effective unless reenacted by the 2027 Session of the General Assembly.

**Amendment Necessary:**  Budget, Item ###  
 Technical, see *Technical Note* below  
 None

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#### *Fiscal Summary*

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The State Corporation Commission does not anticipate a fiscal impact.

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#### *Fiscal Analysis*

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#### Revenue

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None.

#### Expenditures

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None.

#### Change in FTE

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None.

#### Other Comments

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None.

## Technical Note

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None.