



"All laws enacted at a regular session, . . .
excluding a general appropriation law,
shall take effect on the first day of July
following the adjournment of the session of the
General Assembly at which it has been enacted."
Constitution of Virginia, Article IV, Section 13

In Due Course:

2023 Changes to Virginia's Laws

In Due Course is a selection of legislation passed by the 2023 Regular Session of the General Assembly that is likely to affect the daily lives of the citizens of Virginia. The following legislation has been signed by the Governor and for the most part will go into effect on July 1, 2023.

The summaries were prepared by the staff of the Division of Legislative Services. Complete information on actions of the 2023 Regular Session is available on the Legislative Information System website.

Topics

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Alcoholic Beverage Control

HB 2258. Alcoholic beverage control; beer distribution. Effective July 1, 2024, the law creates a restricted wholesale beer license that authorizes the licensee to provide wholesale beer distribution services to brewery and limited brewery licensees, provided that no more than 500 barrels of beer shall be distributed by the corporation to each licensee in any one calendar year. The law requires the Commissioner of Agriculture and Consumer Services to establish and operate a nonprofit, nonstock corporation to hold such license to promote, develop, and sustain markets for brewery and limited brewery licensees. The law prohibits the Board of Directors of the Virginia Alcoholic Beverage Control Authority (i) from granting a wholesale wine license to



any entity that is owned, in whole or in part, by any manufacturer of alcoholic beverages, any subsidiary or affiliate of such manufacturer, or any person under common control with such manufacturer and (ii) from granting a wholesale beer license to any officer, director, or principal stockholder of a manufacturer of alcoholic beverages or to the spouse of such person; however, the law exempts from such prohibition any spouse of an officer, director, or principal stockholder of a brewery or limited brewery licensee that was granted such license prior to January 1, 2024.

SB 983. Alcoholic beverage control; winery and farm winery licenses; requirements and privileges. The law makes numerous changes to the privileges of and requirements for winery and farm winery licenses. Such changes relate to the characteristics of and tasks to be performed on the licensed premises, license qualifications, manufacturing and sale requirements and limitations, and utilization of contract winemaking services.

Animal Care & Control

HB 1577. Rabid animals; quarantine; access by the local health director or designee. The law requires any person who confines a dog or cat for active signs of rabies or suspected rabies, and any person who confines any other suspected rabid animal that may have exposed a person, to allow the local health director or his designee access to the animal during its confinement.

Behavioral Health

HB 1976/SB 1299. Temporary detention; release of detained individuals. The law permits the director of a facility where a person is awaiting transport to the facility of temporary detention pursuant to a temporary detention order to release the person if an employee or a designee of the local community services board, in consultation with the person's treating physician, (i) conducts an evaluation of the person, (ii) determines that the person no longer meets the commitment criteria, (iii) authorizes the release of the person, and (iv) provides a discharge plan.

Civil Procedure

HB 1757/SB 845. Immunity of persons; tort actions; assertion of immunity; attorney fees and costs. The law provides that a person shall be immune from tort liability if the tort claim is based solely on statements (i) regarding matters of public concern that would be protected under the First Amendment to the Constitution of the United States made by that person that are communicated to a third party; (ii) made at a public hearing before the governing body of any locality or other political subdivision, or the boards, commissions, agencies, and authorities thereof, and other governing bodies of any local governmental entity concerning matters properly before such body; or (iii) made by an employee against his employer and where retaliatory action against an employee by such employer is otherwise prohibited by law. The law also provides that any person who prevails in such a legal action may be awarded reasonable attorney fees and costs.

HB 2317/SB 789. Jury duty; allowance increase. The law increases the jury duty allowance from \$30 to \$50 per day.



Commerce

HB 1517. Virginia Consumer Protection Act; automatic renewal or continuous service offers; cancellation reminders; prohibited practices. The law requires suppliers of automatic renewals or continuous service offers that include a free trial that lasts more than 30 days to, within 30 days of the end of any such free trial, notify the consumer of his option to cancel the free trial before the end of the trial period to avoid an obligation to pay for the goods or services. The law provides that failure to notify a consumer of such option is a violation of the Virginia Consumer Protection Act. The law also makes it a violation of the Virginia Consumer Protection Act for a supplier to fail to disclose the total cost of a good or continuous service to a consumer, including any mandatory fees or charges, prior to entering into an agreement for the sale of any such good or provision of any such service.

HB 1857/SB 1249. Internet ticketing platforms and resellers; deceptive trade practices. The law prohibits an Internet ticketing platform or reseller, as defined in the law, from using or displaying any trademarked or copyrighted URL or other mark or symbol of an operator, a rights holder, or a primary ticket provider without the consent of such operator, rights holder, or ticket provider and prohibits the use or display of text, images, website graphics, website display, or website addresses substantially similar to an operator's website in a manner that could reasonably be expected to mislead a potential purchaser. A violation of the provisions of the law constitutes a prohibited practice under the Virginia Consumer Protection Act.

Corrections

HB 2169/SB 1361. Parole Board; eligibility determinations; reports. Effective July 1, 2024, the law removes provisions that exempted from the mandatory disclosure provisions of the Virginia Freedom of Information Act the records of the Parole Board. The law requires the Board to (i) adopt rules regarding parole eligibility as set forth in the law; (ii) publish the statement of actions taken by the Board by the fifteenth day of each month; (iii) include in such statement individualized reasons for the granting or denial of parole and the vote of each member; (iv) conduct final deliberations and votes on parole decisions at public meetings; (v) publish an annual report that summarizes actions taken by the Board during the prior year; and (vi) provide a prisoner or his attorney with all information, other than the personal information of the victim, gathered by the Board during an investigation, provided that such information shall not be further disclosed, reproduced, copied, or disseminated.

The law provides that final discharges may be issued by the Board only upon approval by a majority of Board members and requires the Board to publish an annual report regarding such final discharges, with items specified in the law. The law also requires the Board, prior to making any decision to grant discretionary parole to an inmate, to have discussed and debated such decision at a meeting at which a majority of the Board members were present. The law requires, in cases in which the Board grants discretionary parole to an inmate, each Board member to identify his reasoning for such decision at the time such member's vote is cast. The law requires that parole review hearings include a live interview of the prisoner, which may be conducted in person or by videoconference or telephone, and, absent imminent death or other extraordinary circumstances, prohibits the Board from granting parole to any prisoner who has



not received a live interview within the prior calendar year. The law also allows the victim of the crime for which the prisoner is incarcerated to present testimony to the Board by virtual means.

HB 2487/SB 887. Correctional facilities; use of restorative housing. The law prohibits the use of restorative housing, defined in the law, in state correctional facilities, subject to certain exceptions. The law requires that an incarcerated person who has been placed in restorative housing be offered a minimum of four hours of out-of-cell programmatic interventions or other congregate activities per day aimed at promoting personal development or addressing underlying causes of problematic behavior. The law also requires the facility administrator to have a defined and publicly available policy and procedure for the process of transitioning an incarcerated person placed in restorative housing out of such housing and back to the general population of the facility.

Criminal Offenses

HB 1572/SB 1291. False emergency communication to emergency personnel; penalties. The law provides that it is a Class 1 misdemeanor for any person to knowingly report, or cause another to report in reliance on intentionally false information provided by such person, a false emergency communication to any emergency personnel that results in an emergency response.

The law also provides that it is a Class 6 felony if such false emergency communication results in an emergency response and any person suffers a serious bodily injury as a direct and proximate result of the false emergency communication and a Class 5 felony if any person is killed as a direct and proximate result of the false emergency communication.

The law authorizes any locality to provide by ordinance that a person convicted of such false emergency communication shall be liable for the reasonable expense in responding to such false emergency communication.

HB 1673/SB 1156. Suffocation by blocking or obstructing the airway of another; penalty. The law provides that any person who, without consent, impedes the blood circulation or respiration of another person by knowingly, intentionally, and unlawfully blocking or obstructing the airway of such person resulting in the wounding or bodily injury of such person is guilty of suffocation, a Class 6 felony.

HB 1682/SB 1188. Weapon of terrorism; definition; penalty. The law includes any mixture or substance containing a detectable amount of fentanyl, including its isomers, esters, ethers, salts, and salts of isomers, as a weapon of terrorism for the purpose of defining terrorism offenses. The law provides that any person who knowingly and intentionally manufactures or knowingly and intentionally distributes a weapon of terrorism when such person knows that such weapon of terrorism is, or contains, any mixture or substance containing a detectable amount of fentanyl is guilty of a Class 4 felony.

HB 2020/SB 1073. Unmanned aircraft systems; trespass over correctional facilities; penalty. The law prohibits any unmanned aircraft system from (i) dropping any item within the boundaries of or (ii) obtaining any videographic or still image of any identifiable inmate or



resident at any state or local correctional facility or juvenile correctional center without consent or authorization. A violation of this prohibition is a Class 1 misdemeanor.

HB 2330. Assault and battery; public transportation service vehicle operators; penalty. The law makes it a Class 1 misdemeanor for a person to commit an assault or an assault and battery against another knowing or having reason to know that such individual is an operator of a vehicle operated by a public transportation service who is engaged in the performance of his duties. The law requires the sentence of such person, upon conviction, to prohibit such person from entering or riding in any vehicle operated by the public transportation service that employed such operator for a period of not less than six months as a term and condition of such sentence and makes a violation of such prohibition a Class 1 misdemeanor.

HB 2372/SB 1135. Possession, purchase, or sale of catalytic converters; penalty. The law makes it a Class 6 felony for any person to sell, offer for sale, or purchase a catalytic converter from a motor vehicle exhaust system that has been detached from a motor vehicle, except when such sale, offer for sale, or purchase is made to or by a scrap metal purchaser that has adhered to the required compliance provisions. The law provides that a judge or jury may make a permissive inference that a person who is in possession of a catalytic converter that has been removed from a motor vehicle is presumed to have criminally obtained such catalytic converter unless the person is an authorized agent or employee acting in the performance of his official duties for a motor vehicle dealer, motor vehicle garage or repair shop, or salvage yard that is licensed or registered by the Commonwealth or a person who possesses vehicle registration documentation indicating that the catalytic converter in the person's possession is the result of a replacement of a catalytic converter from a vehicle registered in that person's name.

HB 2398. Sexual extortion; penalties. The law creates a Class 5 felony for any person who maliciously threatens in writing, including an electronically transmitted communication producing a visual or electronic message, (i) to disseminate, sell, or publish a videographic or still image, created by any means whatsoever, or (ii) to not delete, remove, or take back a previously disseminated, sold, or published videographic or still image, created by any means whatsoever, that depicts the complaining witness or such complaining witness's family or household member as totally nude or in a state of undress so as to expose the genitals, pubic area, buttocks, or female breast with the intent to cause the complaining witness to engage in sexual intercourse, cunnilingus, fellatio, anilingus, anal intercourse, inanimate or animate object sexual penetration, or an act of sexual abuse and thereby engages in such acts. The law also creates an unclassified felony punishable by not less than one nor more than 20 years and a fine of not more than \$100,000 for any adult who violates the provisions of the law with a person under the age of 18.

Criminal Procedure

HB 1416/SB 1436. Testing persons charged with certain crimes for sexually transmitted infections. The law provides that as soon as practicable following arrest, or following indictment, arrest by warrant, or service of a petition in the case of a juvenile, the attorney for the Commonwealth may request after consultation with any complaining witness, or shall request upon the request of the complaining witness, that any person charged with certain specified



crimes be requested to submit to testing for sexually transmitted infections, as that term is defined in the law. The law provides that if the person charged refuses to submit to testing or the competency of the person to submit to testing is at issue, a court finding probable cause that the complaining witness was exposed to body fluids of the person charged in a manner that may transmit a sexually transmitted infection shall order such testing. The law also provides that the results of such tests shall not be admissible as evidence in any criminal proceeding.

HB 1943/SB 989. Crime victim rights; notification from the attorney for the Commonwealth. The law requires an attorney for the Commonwealth to consult with a crime victim in a felony case to (i) inform the victim of the contents of a proposed plea agreement and (ii) obtain the victim's views about the disposition of the case. The law provides that the victim shall be notified of any proceeding in which the plea agreement will be tendered to the court. The law also provides that the attorney for the Commonwealth may satisfy his notification responsibilities by consulting with a parent or guardian of an unemancipated minor victim, if the parent or guardian is not a suspect, person of interest, or defendant in the criminal investigation of the proceeding. Under current law, such consultation and notification is required only upon the victim's request.

HB 2016. Appointment of counsel; Class 1 felonies. The law provides that in any case in which an indigent defendant is charged with a Class 1 felony the court shall appoint two competent, qualified, and experienced attorneys, one of whom shall be the public defender in a jurisdiction in which a public defender office is established, for the defendant. As introduced, this law was a recommendation of the Virginia Criminal Justice Conference.

HB 2054/SB 1267. Information to certain defendants; services of community services boards. The law requires general district courts, juvenile and domestic relations district courts, and circuit courts, in cases in which a defendant is found not guilty of any offense after a trial at which evidence of the defendant's mental condition at the time of the alleged offense was introduced, to make available to the defendant information regarding services provided by the community services board and how such services may be accessed. The law requires each community services board to develop, regularly update, and make available to such courts in the same locality information regarding the services provided by the community services board and information about how to access such services.

HB 2221. Personal appearance by two-way electronic video and audio communication; waiver of preliminary hearing. The law allows an appearance in court to be made by two-way electronic video and audio communication with the consent of the court and all parties for the purpose of waiver of a preliminary hearing.

Domestic Relations

HB 2290/SB 1314. Judgement or order for pregnancy and delivery expenses. The law provides that in the event that the initial petition for the establishment of parentage is commenced within six months of the live birth of a child, the judgment or order shall, except for good cause shown or as otherwise agreed to by the parties, apportion between the legal parents, in proportion to the legal parents' gross incomes, as used for calculating the monthly child



support obligation, (i) the mother's unreimbursed pregnancy and delivery expenses and (ii) those reasonable expenses incurred by either parent for the benefit of the child prior to the birth of the child.

Financial Institutions

HB 1727. Credit unions; virtual currency custody services. The law permits a credit union in the Commonwealth to engage in virtual currency custody services, provided that the credit union has adequate protocols in place to effectively manage the associated risks and comply with applicable laws and, prior to offering virtual currency custody services, the credit union has carefully examined the risks in offering such services through a methodical self-assessment process. To engage in such services, the credit union must implement effective risk management systems, maintain adequate insurance coverage, and maintain a service provider oversight program. The law allows that such credit union may provide such services in a fiduciary or nonfiduciary capacity; however, no credit union shall provide virtual currency custody services in a fiduciary capacity without first obtaining authorization to do so from the State Corporation Commission.

Firearms & Weapons

HB 1422/SB 898. Concealed handgun permit; demonstrated competence. The law adds a firearms safety or training course conducted by the United States Concealed Carry Association (USCCA) or by a USCCA-certified firearms instructor, or any firearms safety or training course or class available to the general public offered by a law-enforcement agency, institution of higher education, or private or public institution or organization or firearms training school utilizing instructors certified by the USCCA to those programs that satisfy the demonstration of competence requirement for the issuance of a Virginia resident or nonresident concealed handgun permit.

HB 2298. Carrying concealed weapons; exceptions; penalty. The law removes switchblade knives from and adds stiletto knives to the list of concealed weapons the carrying of which is prohibited in public.

HB 2387. Firearm safety device tax credit. The law establishes a nonrefundable income tax credit for taxable years 2023 through 2027 for individuals who purchase one or more firearm safety devices, as defined in the law, in an eligible transaction, as defined in the law. An individual who properly claims this credit shall be allowed a credit in the amount of up to \$300 for the cost incurred in such purchase. The aggregate amount of credits allowable under the provisions of the law shall not exceed \$5 million per taxable year.

HB 2467. Purchase of firearms; special identification without a photograph. The law provides that to establish personal identification and residence in Virginia for the purposes of purchasing a firearm, a prospective purchaser may present a special identification card without a photograph issued by the Department of Motor Vehicles to a person with a sincerely held religious belief prohibiting the taking of a photograph.



Freedom of Information

HB 2006. Virginia Freedom of Information Act; public records charges; electronic payment method. The law provides that any local public body that charges for the production of public records pursuant to the Virginia Freedom of Information Act may provide an electronic method of payment through which all payments for the production of such records to such locality may be made.

HB 2007. Virginia Freedom of Information Act; posting of fee policy. The law requires a public body to make available upon request and post on its website or otherwise publish a written policy (i) explaining how the public body assesses charges for accessing or searching for requested records and (ii) noting the current fee charged, if any, by the public body for accessing and searching for the requested records.

Health & Health Professions

HB 1426/SB 1147. Board of Medicine; continuing education; human trafficking. The law requires that, of the hours of continuing education required for renewal of licensure, any licensee of the Board of Medicine may be required by the Board of Medicine to complete up to two hours of continuing learning activities or courses in a specific subject area. Under the law, if the Board of Medicine designates a subject area for continuing learning activities or courses, the first subject area shall be on the topic of human trafficking.

HB 1433/SB 802. Licensure of professional counselors; Counseling Compact. Effective January 1, 2024, the law authorizes Virginia to become a signatory to the Counseling Compact. The Compact permits eligible licensed professional counselors to practice in Compact member states, provided that they are licensed in at least one member state, and directs the Board of Counseling to adopt emergency regulations to implement the provisions of the law.

HB 1446/SB 1339. Minimum staffing standards for certified nursing facilities; administrative sanctions. Effective July 1, 2025, the law sets nursing staffing requirements for certified nursing facilities, imposes administrative sanctions on a certified nursing facility if it does not comply with the staffing requirements, provides for exemptions to the administrative sanctions under certain circumstances, and directs the promulgation of regulations consistent with the law.

HB 1511/SB 1275. Midwifery; administration of medication. The law allows licensed midwives to obtain, possess, and administer drugs and devices within the scope of their practice. The law requires the Board of Medicine to develop and publish best practice and standards of care guidance for all such drugs. The law limits the liability of entities that provide or dispense drugs or devices to a licensed midwife and that rely in good faith upon the license information provided by the licensed midwife. Under the law, completing all Alliance for Innovation on Maternal Health patient safety bundles advanced by the Virginia Neonatal Perinatal Collaborative is required of any licensed midwife who obtains, possesses, and administers drugs and devices within the scope of his practice.



HB 1602/SB 1418. State plan for medical assistance services; telemedicine; in-state presence. The law establishes that health care providers are not required to maintain a physical presence in the Commonwealth to maintain eligibility to enroll as a Medicaid provider. Additionally, the law establishes that telemedicine services provider groups with health care providers duly licensed by the Commonwealth are not required to maintain an in-state service address to maintain eligibility to enroll as a Medicaid vendor or Medicaid provider group.

HB 1754/SB 1119. Telemedicine; continuity of care. The law allows for continuity of care through telemedicine when a practitioner with whom a patient has previously established a practitioner-patient relationship is unavailable at the time in which the patient seeks continuity of care. The law allows another practitioner of the same subspecialty at the same practice group with access to the patient's treatment history to provide continuity of care using telemedicine services until the practitioner with whom the patient has a previously established practitioner-patient relationship becomes available.

HB 2033. Audiology and Speech-Language Pathology Interstate Compact. The law authorizes Virginia to become a signatory to the Audiology and Speech-Language Pathology Interstate Compact. The Compact increases public access to audiology and speech-language pathology services by providing for the mutual recognition of other member state licenses for such services. The Compact has been enacted in 23 states and the Audiology and Speech-Language Pathology Compact Commission is currently preparing rules and bylaws in order for the member states to be fully integrated in the Compact's data system.

HB 2139. Prescription refills; insulin; authority of pharmacists to refill prescriptions. The law allows pharmacists to refill prescriptions for insulin without authorization from the prescriber in emergencies.

HB 2274/SB 948. Pharmacist scope of practice; initiation of treatment for certain diseases and conditions. The law allows pharmacists to initiate treatment with, dispense, or administer controlled substances or devices for the initiation of treatment of group A Streptococcus bacteria infection, influenza virus infection, COVID-19 virus infection, and urinary tract infection to persons 18 years of age or older with whom the pharmacist has a bona fide pharmacist-patient relationship in accordance with regulations set forth by the Board of Pharmacy. The law directs the Board of Pharmacy to adopt a statewide protocol for the initiation of treatment with and dispensing and administering of drugs and devices by pharmacists in accordance with the provisions of the law by November 1, 2023. The law provides that such protocol shall be developed by a work group consisting of representatives from the Board of Pharmacy, the Board of Medicine, and the Department of Health and directs the Board of Pharmacy to adopt emergency regulations to implement the provisions of the law.

Higher Education

HB 1419/SB 1498. Brown v. Board of Education Scholarship Program; extension of eligibility. The law extends eligibility for the Brown v. Board of Education Scholarship Program to the lineal and collateral descendants of persons who were residing in jurisdictions in Virginia in which the public schools were closed to avoid desegregation between 1954 and 1964 and



whose educations were affected by the school closings. Currently, only persons who resided in such jurisdictions at the time of the school closings are eligible for the program.

HB 1916/SB 910. Public institutions of higher education; threat assessment teams; powers and duties. The law makes several changes to the powers and duties of the threat assessment team at each public institution of higher education, including requiring, upon a preliminary determination that an individual poses an articulable and significant threat of violence to others, each such team to (i) obtain any available criminal history record information and health records for such individual; (ii) notify in writing within 24 hours upon making such preliminary determination (a) the campus police department; (b) local law enforcement for the city or county in which the public institution of higher education is located, local law enforcement for the city or county in which the individual resides, and, if known to the threat assessment team, local law enforcement for the city or county in which the individual is located; and (c) the local attorney for the Commonwealth in any jurisdiction where the threat assessment team has notified local law enforcement; and (iii) disclose any specific threat of violence posed by the individual as part of such notification, and permitting each such team to invite nonmember representatives from campus to participate in individual cases.

SB 1280. Public institutions of higher education; degree programs; integration of internship or work-based learning experiences; policies. Effective July 1, 2025, contingent upon a determination by the work group convened pursuant to the law that the adoption of such policies is logistically and fiscally viable for each public institution of higher education in the Commonwealth, the law directs the governing board of each baccalaureate public institution of higher education to adopt policies requiring that participation in an internship or work-based learning experience be integrated into a student's degree program so as not to extend the time to complete the degree. The law directs the State Council of Higher Education for Virginia to convene a work group for the purpose of making recommendations on the development, adoption, and implementation of the policies required pursuant to the law. The law requires the work group to submit its recommendations to the Chairmen of the House Committee on Education and the Senate Committee on Education and Health by June 30, 2024.

SB 1286. Virginia Community College System; duties of State Board for Community Colleges; standardization of health care-related programs. The law directs the State Board for Community Colleges to develop and implement a plan to standardize across all comprehensive community colleges the courses offered for health care-related degree, credential, or licensure programs, excluding any registered nursing programs. The law requires such plan to include procedures and criteria for (i) standardizing such courses by name, curriculum, coursework, quality, academic rigor, and standard of evaluation; (ii) awarding credit toward the completion of any such health care-related program; and (iii) standardizing the manner in which academic and clinical hour credits are awarded for such courses to ensure that they are stackable and transferrable across all comprehensive community colleges.

Insurance

HB 2354. Health care provider panels; continuity of care. Effective January 1, 2024, the law makes various changes to provisions related to the continuity of care for an enrollee after a



provider is terminated from a health insurance carrier's provider panel. The law requires a carrier that uses a provider panel to establish procedures for notifying an enrollee of (i) the termination from the carrier's provider panel of a provider who was furnishing health care services to the enrollee or furnished health care services to the enrollee in the six months prior to the notice and (ii) the right of an enrollee upon request to continue to receive health care services as provided in the law following the provider's termination from a carrier's provider panel. The law requires the carrier to provide such notices prior to the date of the termination of the provider except when a provider is terminated for cause. The law removes separate notice requirements for the termination of a primary care provider or a specialty referral services provider.

The law provides that a provider is permitted to render health care services to any of the carrier's enrollees for a period of at least 90 days from the date of a provider's termination from the carrier's provider panel, except when a provider is terminated for cause. The law provides that for an enrollee who (a) has been medically confirmed to be pregnant at the time of a provider's termination, the provider may continue care through the postpartum period; (b) has been determined by a medical professional to have a life-threatening condition at the time of a provider's termination of participation, the provider may continue care for up to 180 days; and (c) is admitted to and receiving treatment in any inpatient facility at the time of a provider's termination, the provider may continue care until the enrollee is discharged from the inpatient facility. The law provides that under the continuity of care provisions, "provider" includes a provider group.

SB 1003. Health insurance; mandated coverage for hearing aids for minors. The law requires health insurers, health maintenance organizations, and corporations providing health care coverage subscription contracts to provide coverage for hearing aids and related services for children 18 years of age or younger when an otolaryngologist recommends such hearing aids and related services. The coverage includes one hearing aid per hearing-impaired ear, up to a cost of \$1,500, every 24 months. The law prohibits the State Corporation Commission from using any special fund revenues dedicated to the Commission's other functions and duties, including revenues from utility consumer taxes or fees from licensees regulated by the Commission or fees paid to the office of the clerk of the Commission, to fund the defrayal of costs for the coverage provided as required by federal law. The law applies to policies, contracts, and plans delivered, issued for delivery, or renewed on and after January 1, 2024.

Labor & Employment

HB 1895. Nondisclosure or confidentiality agreements; prohibited nondisparagement provisions; claims of sexual harassment. The law provides that no employer may require an employee or prospective employee to execute or renew any provision in a nondisclosure or confidentiality agreement, including any provision regarding nondisparagement, that has the purpose or effect of concealing the details of a sexual harassment claim. Any such provision is against public policy and is void and unenforceable.

SB 1040. Employer use of use of employee's social security number; prohibited; civil penalty. The law prohibits an employer from using an employee's social security number or any derivative thereof as such employee's identification number or including an employee's social



security number or any number derived thereof on any identification card or badge, any access card or badge, or any other similar card or badge issued to such employee. The law imposes a civil penalty of up to \$100 for any knowing violation of the prohibition.

SB 1086. Living organ donors; unpaid leave; civil penalty. The law requires that an employer that employs 50 or more employees provide eligible employees, defined in the law, with (i) up to 60 business days of unpaid organ donation leave in any 12-month period to serve as an organ donor and (ii) up to 30 business days of unpaid organ donation leave in any 12-month period to serve as a bone marrow donor. The law requires the employer to restore the employee's position following the leave, to continue to provide coverage for the employee under any health benefit plan during the leave, and to pay the employee any commission earned prior to the leave. The law prohibits the employer from taking retaliatory action against the employee for taking organ donation leave. The law requires the Commissioner of Labor and Industry to enforce its provisions and provides for civil penalties for violations of its requirements.

Landlord/Tenant

HB 2082. Virginia Residential Landlord and Tenant Act; employees of the landlord; rental dwelling unit keys and electronic key codes. The law requires a landlord who owns more than 200 rental dwelling units that are attached to the same piece of real property to require any applicant for employment in any position that will have access to keys, defined in the law, to each rental dwelling unit to be subject to a pre-employment criminal history records check. The law also provides that a landlord must establish written policies and procedures for the (i) storage, issuance and return, and security of; (ii) access to; and (iii) if applicable, usage and deactivation of rental dwelling unit keys and electronic key codes. The provisions of the law do not apply to a financial institution or a real estate licensee.

Law Enforcement & Military

HB 1624/SB 1071. Department of Veterans Services; mental health and rehabilitative services; Military Spouse Liaison. The law adds military service members transitioning from military to civilian life to the list of persons supported by the program for mental health and rehabilitative services administered by the Department of Veterans Services. The law requires the Commissioner of the Department of Veterans Services to include in the Department's annual report data related to such transitioning service members and an overview of the activities of the Military Spouse Liaison, including any legislative recommendations.

HB 2362/SB 924. Burial fees for military spouses. The law provides that, from such funds as may be appropriated or otherwise received for such purpose, the Commonwealth shall pay any burial fee for (i) a member of the National Guard and Reserve or (ii) a deceased spouse of a member or veteran of the United States Armed Forces or of the National Guard and Reserve, regardless of whether such spouse's death precedes or succeeds the death of the member or veteran.



Local Government

HB 1676/SB 1185. Annexation; extension of current moratorium. The law extends by eight years, from 2024 to 2032, the current moratorium on city annexations and county immunity actions. Provisions that would trigger the early expiration of the moratorium if the General Assembly fails to appropriate certain amounts for local law-enforcement expenditures are exempted through the 2030-2032 biennium.

SB 1455. Civil disturbance; local curfew; penalty. The law enables the chief law-enforcement officer of a locality to enact a curfew under certain circumstances during a civil disturbance. The law clarifies that such action in cities shall be in concurrence with the city manager and the mayor. The law requires that such action specify the hours of the curfew and the geographic area to which the curfew applies and provide for various specified exceptions. The action authorizing the curfew shall provide for reasonable efforts to inform the public in advance of the curfew, which shall be valid for no more than 24 hours. The law provides that such curfew shall not be extended or renewed unless by recorded vote of the local governing body or by judicial order. The law provides that any violation is a Class 1 misdemeanor.

Marijuana

HB 1598/SB 788. Medical cannabis program; transition from Board of Pharmacy to Virginia Cannabis Control Authority. Effective January 1, 2024, the law transfers oversight and administration of the Commonwealth's medical cannabis program from the Board of Pharmacy to the Virginia Cannabis Control Authority.

HB 1846/SB 1337. Medical marijuana program; product, registration, dispensing, and recordkeeping requirements; advertising. The law amends and adds numerous provisions regarding the Commonwealth's medical marijuana program, including provisions related to recordkeeping, product registration, allowable deviations, dispensing, packaging, labeling, and advertising. The law requires pharmaceutical processors and cannabis dispensing facilities to collect and provide to the Board of Pharmacy by July 1, 2024, data regarding implementation of the law. The law also requires the Board of Pharmacy to make certain amendments to its regulations.

HB 2294/SB 903. Tetrahydrocannabinol; hemp products; packaging, labeling, and testing; penalties. The law limits the amount of tetrahydrocannabinol (THC) that can be included in a hemp product or industrial hemp extract to 0.3 percent and two milligrams per package. The law limits the application of such THC limits to retail sales and allows a hemp product or industrial hemp extract to contain more than two milligrams of THC if the product or extract contains an amount of cannabidiol (CBD) that is at least 25 times greater than the amount of THC; however, the law prohibits hemp processors from selling industrial hemp or a substance containing an industrial hemp extract to a person if the processor knows or has reason to know that such person will use the industrial hemp or substance containing an industrial hemp extract in a substance that violates the aforementioned THC limits.

The law creates a regulated hemp product retail facility registration, which carries an annual fee of \$1,000, and requires persons to obtain such registration from the Commissioner of the



Department of Agriculture and Consumer Services prior to offering for sale or selling regulated hemp products, as defined in the law, or any substance intended for consumption that is advertised or labeled as containing an industrial hemp-derived cannabinoid. The law creates certain packaging, labeling, and testing requirements for regulated hemp products and requires that topical hemp products bear a label stating that the product is not intended for human consumption. The law provides the Commissioner with the authority to access registered regulated hemp product retail facilities and any business that offers for sale or sells at retail a substance intended for human consumption that is advertised or labeled as containing a cannabinoid for the purpose of inspections and securing samples. The law also creates a civil penalty of up to \$10,000 per day for the following violations: (i) offering for sale or selling at retail without a regulated hemp product retail facility registration a regulated hemp product or a substance intended for human consumption, orally or by inhalation, that is advertised or labeled as containing an industrial hemp-derived cannabinoid; (ii) continuing to offer for sale or selling at retail a regulated hemp product after revocation or suspension of such registration; (iii) offering for sale or selling at retail a substance intended for human consumption, orally or by inhalation, that contains THC in excess of the applicable limits; or (iv) offering for sale or selling at retail a regulated hemp product that does not meet the applicable packaging, labeling, and testing requirements. The law (a) clarifies that persons who manufacture, store, sell, or offer for sale an industrial hemp extract or food containing an industrial hemp extract are subject to the existing food and drink permit requirement and (b) requires such persons to indicate their intent to manufacture, store, sell, or offer for sale an industrial hemp extract or food containing an industrial hemp extract on such permit application. The law also creates labeling, packaging, and testing requirements for industrial hemp extracts and foods containing an industrial hemp extract.

The law creates a civil penalty of \$10,000 for the following: (1) manufacturing, selling, or offering for sale an industrial hemp extract or food containing an industrial hemp extract without a permit; (2) continuing to manufacture, sell, or offer for sale an industrial hemp extract or food containing an industrial hemp extract after revocation or suspension of such permit; (3) failing to disclose on a form prescribed by the Commissioner that he intends to manufacture, sell, or offer for sale a substance intended to be consumed orally that contains an industrial hemp-derived cannabinoid; (4) manufacturing, selling, or offering for sale a food that contains more than 0.3 percent of THC or more than two milligrams of THC per package; (5) manufacturing, offering for sale, or selling in violation of food and drink laws or regulations a substance intended to be consumed orally that is advertised or labeled as containing an industrial hemp-derived cannabinoid; or (6) otherwise violating any provision of the Commonwealth's food and drink laws or regulations. The law also makes it a Class 1 misdemeanor to engage in such actions, except for those set forth in clause (4). The law makes it unlawful under the Virginia Consumer Protection Act to (A) sell or offer for sale any substance intended for human consumption that contains a synthetic derivative of THC or (B) sell or offer for sale a topical hemp product that does not include a label stating that the product is not intended for human consumption. The law also increases existing civil penalties for certain hemp-related violations.

The law provides that certain regulated hemp product provisions related to retail facility registrations, packaging, labeling, and testing and associated civil penalty provisions shall



become effective when the Commissioner provides notice to the Virginia Code Commission that the Department has established the registration process. The law removes tetrahydrocannabinol from the list of Schedule I controlled substances and contains other technical amendments.

HB 2368. Medical marijuana program; product requirements; certifications; reporting.

The law requires cannabis product and botanical cannabis labels to be complete, accurate, easily discernable, and uniform among different products and brands and that each label, which shall be included on the product and on the pharmaceutical processor's website, (i) include (a) the product name, (b) all active and inactive ingredients, (c) the total percentage and milligrams of tetrahydrocannabinol and cannabidiol included in the product and the number of milligrams of tetrahydrocannabinol and cannabidiol in each serving, (d) the amount of product that constitutes a single serving and the amount recommended for use by the practitioner or dispensing pharmacist, (e) information regarding the product's purpose and detailed usage directions, and (f) child and safety warnings in a conspicuous font and (ii) comply with any requirements imposed by the Board of Pharmacy. The law also requires that a pharmaceutical processor or cannabis dispensing facility shall maintain an adequate supply of cannabis products that (1) contain cannabidiol as their primary cannabinoid and (2) have low levels of or no tetrahydrocannabinol. The law provides that a patient's registered agent is not required to register with the Board of Pharmacy when such registered agent is listed on the patient's written certification pursuant to the patient's request and in the discretion of the practitioner based on medical need. The law also modifies the information that must be included in the Prescription Monitoring Program for cannabis products.

HB 2428/SB 1233. Marijuana; advertising restrictions; penalties. The law makes it a Class 1 misdemeanor to advertise in or send any advertising matter into the Commonwealth regarding marijuana, marijuana products, or any substance containing a synthetic tetrahydrocannabinol or synthetic derivative of tetrahydrocannabinol other than those that may be legally sold in the Commonwealth. The law provides that for violations of certain distance and zoning restrictions on outdoor advertising, as set forth in the law, the Board of Directors of the Virginia Cannabis Control Authority must give the advertiser written notice to take corrective action and that, if such corrective action is not taken within 30 days, the advertiser is guilty of a Class 4 misdemeanor. The law establishes numerous restrictions on marijuana advertisements, including provisions that prohibit advertisements from (i) targeting minors; (ii) being placed near schools, playgrounds, and certain other places; (iii) being displayed at a sporting event or on a billboard; (iv) being misleading, deceptive, or false; (v) referencing the intoxicating effects of marijuana; or (vi) promoting overconsumption or consumption by minors.

Motor Vehicles

HB 1806/SB 1057. Farm use placards. The law delays from July 1, 2023, to July 1, 2024, the date by which vehicles claiming a farm use exemption are required to obtain a farm use placard from the Department of Motor Vehicles and display such placard at all times. The law provides that the requirement to display a farm use placard only applies to pickup or panel trucks and sport utility vehicles. The law removes certain requirements on the application for a farm use placard, prohibits requesting additional information on such application, and prohibits disclosure



of application information. The law authorizes the use of an agricultural or horticultural vehicle for disposing of incidental refuse and a seasonal transportation vehicle for driving to a storage house, packing plant, or market regardless of distance. The law clarifies that the exemption for transporting back to a farm essential food includes procuring a meal for a farmer or his employees and that such exemption applies while engaged in authorized farm vehicle uses. The law exempts vehicles required to obtain a farm use placard from the motor vehicle sales and use tax and authorizes localities to exempt such vehicles from personal property tax.

SB 855. Headlights; aftermarket modifications; blue lights. The law prohibits the use of headlights on motor vehicles, motorcycles, autocycles, bicycles, electric personal assistive mobility devices, personal delivery devices, electric power-assisted bicycles, mopeds, and motorized skateboards or scooters with aftermarket modifications that make such headlights appear as a blue light.

SB 951. Uninsured motorist fee; repeal. Effective July 1, 2024, the law repeals the option to register an uninsured motor vehicle upon payment of the uninsured motor vehicle fee of \$500. The law authorizes the Commissioner of the Department of Motor Vehicles to continue registering uninsured vehicles from July 1, 2023, to July 1, 2024, but provides that all such registrations shall expire prior to July 1, 2024.

SB 1058. Objects obstructing driver's view; dashboard cameras allowed. The law allows the suspension and use of any dashboard camera and any accompanying wires or attachments in or on a motor vehicle, provided that (i) such suspension and use are not otherwise prohibited by the provisions of Title 49 of the Code of Federal Regulations and (ii) such camera, wires, and attachments are wholly or mostly concealed behind the rear view mirror without any additional obstruction to the driver's view.

Natural & Historic Resources

HB 1388/SB 915. State parks; Virginia National Guard Passport established; free entry and parking. The law directs the Department of Conservation and Recreation to establish a Virginia National Guard Passport that authorizes a member of the Virginia National Guard to enter state parks without paying a parking or admission fee.

HB 1968. Department of Historic Resources; Green Book historic site designations. The law directs the Department of Historic Resources, in partnership with the Virginia Tourism Corporation and the Department of Transportation, to designate or approve supplementary signs for historic site signs identifying Green Book locations and businesses in the Commonwealth. The law defines "Green Book" as *The Negro Motorist Green Book* published by Victor Hugo Green, which provided a list of hotels, guest houses, service stations, drug stores, taverns, barbershops, and restaurants known to be safe for traveling Black Americans during the Jim Crow era.

SB 1501. Department of Environmental Quality regulations; civil penalties; written notice of violation. The law requires the Department of Environmental Quality, prior to assessing any civil penalty against any person for an alleged violation of a regulation adopted by the State Air Pollution Control Board, the Virginia Waste Management Board, or the State Water Control



Board or permit issued by the Department, to inform such person in writing of the alleged violation, the potential penalties, and the actions necessary to achieve compliance and remediate the alleged violation. The Department may allow such person 30 days to take such actions and to provide any additional, relevant facts to the Department, including facts that demonstrate a good-faith attempt to achieve compliance.

Professions & Occupations

HB 2180/SB 1213. Department of Professional and Occupational Regulation; universal license recognition. The law establishes criteria for an individual licensed, certified, or having work experience in another state to apply to a regulatory board within the Department of Professional and Occupational Regulation and be issued an occupational license or government certification if certain conditions are met.

Public Education

HB 1704/SB 821. Public elementary and secondary schools; reports of certain arrests and convictions; receipt, report, and compilation. The law requires each division superintendent to annually designate an employee in the local school division as the division safety official whose duty is to receive all reports required to be made pursuant to relevant law from (i) every state official or agency and every sheriff, police officer, or other local law-enforcement officer or conservator of the peace having the power to arrest for a felony upon arresting a person who is known or discovered by the arresting official to be a full-time, part-time, permanent, or temporary teacher or any other employee in such local school division for a felony or a Class 1 misdemeanor or an equivalent offense in another state and (ii) the clerk of any circuit court or any district court in the Commonwealth upon the felony conviction of any person known by such clerk to be employed by such local school division.

The law requires each division superintendent to include such division safety official designation in the collated packet of school safety audits submitted to the Virginia Center for School and Campus Safety pursuant to relevant law and requires the Center to designate an employee of the Center as the school personnel safety official for the Commonwealth whose duty is to compile, maintain, and make publicly available a list of each such division safety official. The law requires such division safety official designation to include updated contact information for such division safety official and requires such school personnel safety official for the Commonwealth to at least annually confirm with each division superintendent that such contact information is up to date and accurate.

The law also provides that a probation and parole officer who is supervising a person employed by a local school division in the Commonwealth shall, upon discovering that such supervised person has been arrested or convicted of a felony offense or an equivalent offense in another state, report such arrest or conviction to the Superintendent of Public Instruction and the designated division safety official in the local school division where such supervised person is employed as soon as practicable. The law requires any such report to be transmitted via certified mail to the mailing address identified by the division superintendent or via fax and email to the fax number and email address identified by the division superintendent, pursuant to the



applicable provisions of the law. Finally, the law requires, until July 1, 2027, that all such arresting officials or agencies request in writing that the Virginia Employment Commission provide the name of the current employer of each arrested person for purposes of determining whether such notice is required.

HB 1592 /SB 1072. Public schools; codes of student conduct; policies and procedures prohibiting bullying; parental notification. The law requires each local school board to require the principal of each public school or his designee to notify the parent of any student who is involved in an alleged bullying incident of the alleged incident within 24 hours of learning of such allegation. Current law only requires the principal to notify any such parent of the status of any investigation into an alleged incident of bullying within five school days of when such allegation was made.

SB 1043. Public education; student mental health and counseling; definitions; licensure requirements. The law requires the Department of Education, in consultation with the Department of Behavioral Health and Developmental Services and the Department of Medical Assistance Services, to develop, adopt, and distribute to each school board a model memorandum of understanding between a school board and a public or private community mental health services provider that sets forth parameters for the provision of mental health services to public school students enrolled in the local school division by such provider. The law requires the memorandum of understanding to be available to each school board no later than the beginning of the 2023–2024 school year. The law also permits, in order to fill vacant school psychologist positions, any local school board to employ, under a provisional license issued by the Department of Education for three school years with an allowance for an additional two-year extension, clinical psychologists licensed by the Board of Psychology, provided that any such individual makes progress toward completing the requirements for full licensure as a school psychologist during such period of employment. Finally, the law defines the terms "direct counseling" and "program planning and school support" for the purpose of the provision of law that requires each school counselor to spend at least 80 percent of his staff time during normal school hours in the direct counseling of individual students or groups of students.

SB 1175. Student literacy measures; scope; students in grades four through eight. The law expands several provisions of the Virginia Literacy Act, enacted during the 2022 Regular Session of the General Assembly, effective with the 2024–2025 school year, and currently applicable to students in kindergarten through grade three, to students in grades four through eight, including (i) requiring each local school board to provide a program of literacy instruction to such students that is aligned with science-based reading research and provides evidenced-based literacy instruction; (ii) requiring each local school board to provide reading intervention services to such students who demonstrate substantial deficiencies based on their individual performance on the Standards of Learning reading assessment or a literacy screener provided or approved by the Department of Education; (iii) permitting the reading plan required for certain students in grades six through eight to include a literacy course, in addition to the course required by the Standards of Learning in English, that provides the specific evidence-based literacy instruction identified in such plan; (iv) requiring the Department to develop a list of core literacy curricula, supplemental instruction practices and programs, and intervention programs that



consist of evidence-based literacy instruction aligned with science-based reading research for such students; (v) requiring each local school board to employ one reading specialist for each 550 students in kindergarten through grade five and for each 1,100 students in grades six through eight; (vi) requiring the Board of Education to provide guidance on and each local school board to provide high-quality professional development and training in science-based reading research and evidence-based literacy instruction for certain middle school personnel; and (vii) requiring each divisionwide comprehensive plan to include a divisionwide literacy plan for such students.

SB 1453. Public elementary and secondary schools; automated external defibrillators

required. The law requires each local school board to develop a plan for the placement, care, and use of an automated external defibrillator in every public elementary and secondary school in the local school division and to place an automated external defibrillator in every public elementary and secondary school in the local school division. Under current law, such a plan is optional and there is no requirement for each school board to place an automated external defibrillator in every public elementary and secondary school in the local school division. Finally, the law requires the Department of Education to compile and make publicly available on its website by August 1, 2024, a list of available public and private programs, grants, or funding sources for fulfilling the requirements of the law.

Public Utilities

HB 1770/SB 1265. Virginia Electric Utility Regulation Act. The law authorizes Dominion Energy Virginia, on or before July 1, 2024, to petition the State Corporation Commission for a financing order for deferred fuel costs. The law sets forth specific transaction terms and other provisions related to the financing order. Before granting a financing order, the Commission is required to find that (i) the proposed issuance of deferred fuel cost bonds is in the public interest and the associated deferred fuel cost charges are just and reasonable and (ii) the structuring and pricing of the deferred fuel cost bonds are reasonably expected to result in reasonable deferred fuel cost charges consistent with market conditions at the time the deferred fuel cost bonds are priced and the terms set forth in such financing order. The law requires the financing order to include, among other things: (a) the amount of deferred fuel costs to be financed using deferred fuel cost bonds; (b) a requirement that deferred fuel cost charges authorized under a financing order are non-bypassable and paid by all retail customers of the electric utility, irrespective of the generation supplier of such customer, except for certain exempt customers; (c) a formula-based true-up mechanism for making annual adjustments to the deferred fuel cost charges; and (d) a method of tracing funds collected as deferred fuel cost charges. The law requires the utility to permit certain retail customers to opt out of financing the customer's pro rata obligation for the deferred fuel cost charges through deferred fuel cost bonds. Under the law, the financing order is irrevocable.

The law creates the deferred fuel cost charge and provides that the revenues generated by this charge, known as deferred fuel cost property, are a property right that can be transferred and pledged as security for the deferred fuel cost bonds. The law establishes the procedures for creating, perfecting, and enforcing the security interest in deferred fuel cost property. The law includes a state non-impairment obligation. Under the law if the deferred fuel cost bonds are



issued, the Commonwealth and its agencies, including the Commission, agree not to take any action that would limit or alter the deferred fuel cost charges until the deferred fuel cost bonds have been paid and performed in full.

The law makes various changes to procedures under which the Commission reviews the earnings and sets the rates of investor-owned incumbent electric utilities. The law provides that, in lieu of the triennial review proceedings required under current law, Dominion Energy Virginia, beginning in 2023, will be subject to biennial reviews of its rates, terms, and conditions for generation, distribution, and transmission services. The law requires that if, during a biennial review filed on or before December 31, 2023, the Commission determines that the utility has earned more than 70 basis points above its fair combined rate of return on its generation and distribution services, the Commission will direct that 85 percent of the amount of such overearnings be credited to customers' bills. For a biennial review filed after December 31, 2023, the law requires that if the Commission determines that the utility has earned above its fair combined rate of return on its generation and distribution services, the Commission will direct that 85 percent of the amount of such overearnings be credited to customers' bills and that all of any such overearnings that were more than 150 basis points above the utility's fair combined rate of return on its generation and distribution services be credited to customers' bills.

The law requires that the Commission, in determining a fair rate of return on common equity for an investor-owned electric utility in any biennial review initiated prior to December 31, 2023, set such rate at 9.70 percent, which is based on the simple average of the authorized returns for vertically integrated electric utilities by the applicable regulatory commissions in the peer group jurisdictions of Florida, Georgia, Texas, Tennessee, West Virginia, Kentucky, and North Carolina. The law provides that for any review after December 31, 2023, the Commission may use any methodology to determine such return that it finds consistent with the public interest. The law provides that the Commission may increase or decrease an electric utility's combined rate of return for generation and distribution services by up to 50 basis points based on factors that may include reliability, generating plant performance, customer service, and operating efficiency of a utility. The law requires the Commission, before December 31, 2023, to direct the initiation of a proceeding to review and determine the appropriate protocols and standards applicable to implementing any such performance-based adjustments.

The law provides that in any proceeding to establish base rates for Appalachian Power or Dominion Energy Virginia conducted by the Commission, if the Commission determines in its sole discretion that the utility's existing base rates will, on a going-forward basis, either produce (1) revenues in excess of the utility's authorized rate of return or (2) revenues below the utility's authorized rate of return, then the Commission is required to order any reductions or increases, as applicable and necessary, to such base rates that it deems appropriate to ensure the resulting base rates (A) are just and reasonable and (B) provide the utility an opportunity to recover its costs of providing services over the rate period and earn a fair rate of return.

The law requires Dominion Energy Virginia, in its 2023 biennial review, to combine certain rate adjustment clauses having a combined annual revenue requirement of at least \$350 million with the utility's base rates. The law provides that the combination of such rate adjustment clauses is



subject to audit by the Commission in the utility's 2023 biennial review filing. The law authorizes the Commission to, in its discretion, direct the consolidation of any previously implemented rate adjustment clauses in the interest of judicial economy, customer transparency, or other factors the Commission determines to be appropriate.

The law requires the Commission to include in its report to the Commission on Electric Utility Regulation and the Governor any information concerning the reliability impacts of generation unit additions and retirement determinations by Appalachian Power and Dominion Energy Virginia, along with the potential impact on the purchase of power from generation assets outside the Virginia jurisdiction used to serve the utility's native load.

The law requires Dominion Energy Virginia, through December 31, 2024, to undertake reasonable efforts to maintain, subject to audit by the Commission, its common equity capitalization to total capitalization ratio at a level equal to 52.10 percent.

HB 1777/SB 1075. Phase I Utilities; deferred fuel costs; biennial reviews. The law authorizes Appalachian Power to petition the State Corporation Commission for a financing order for deferred fuel costs. The law sets forth specific transaction terms and other provisions related to the financing order. Before granting a financing order, the Commission is required to find that (i) the proposed issuance of deferred fuel cost bonds is in the public interest and the associated deferred fuel cost charges are just and reasonable and (ii) the structuring and pricing of the deferred fuel cost bonds are reasonably expected to result in reasonable deferred fuel cost charges consistent with market conditions at the time the deferred fuel cost bonds are priced and the terms set forth in such financing order. The law requires the financing order to include, among other things: (a) the amount of deferred fuel costs to be financed using deferred fuel cost bonds; (b) a requirement that deferred fuel cost charges authorized under a financing order are non-bypassable and paid by all retail customers of the electric utility, irrespective of the generation supplier of such customer, except for certain exempt customers; (c) a formula-based true-up mechanism for making annual adjustments to the deferred fuel cost charges; and (d) a method of tracing funds collected as deferred fuel cost charges. The law requires the utility to permit certain retail customers to opt out of financing the customer's pro rata obligation for the deferred fuel cost charges through deferred fuel cost bonds. Under the law, the financing order is irrevocable.

The law creates the deferred fuel cost charge and provides that the revenues generated by this charge, known as deferred fuel cost property, are a property right that can be transferred and pledged as security for the deferred fuel cost bonds. The law establishes the procedures for creating, perfecting, and enforcing the security interest in deferred fuel cost property. The law includes a state non-impairment obligation. Under the law, if the deferred fuel cost bonds are issued, the Commonwealth and its agencies, including the Commission, agree not to take any action that would limit or alter the deferred fuel cost charges until the deferred fuel cost bonds have been paid and performed in full.

The law makes various changes to procedures under which the Commission reviews the earnings and sets the rates of Appalachian Power. The law provides that, in lieu of the triennial review proceedings required under current law, Appalachian Power will be subject to biennial reviews



of its rates, terms, and conditions for generation and distribution services, with the first review commencing on March 31, 2024.

The law requires the Commission, in each biennial review, to conduct a proceeding to review all rates, terms, and conditions for generation and distribution services, with such proceeding utilizing the two successive 12-month test periods ending December 31 immediately preceding the year in which such proceeding is conducted. The law provides that in each biennial review proceeding, the Commission will set the fair rate of return on common equity applicable to the generation and distribution services of the utility for the two such services combined and for certain approved rate adjustment clauses. The law provides that the Commission may use any methodology it finds consistent with the public interest to determine Appalachian Power's fair rate of return on common equity. Additionally, the law provides that the Commission may increase or decrease the combined rate of return for generation and distribution services by up to 50 basis points based on the reliability, generating plant performance, customer service, and operating efficiency of a utility, as compared to nationally recognized standards determined by the Commission to be appropriate for such purposes. The law requires the Commission, before December 31, 2023, to direct the initiation of a proceeding to review and determine the appropriate protocols and standards applicable to implementing any such performance-based adjustments.

The law provides that if the Commission determines in its sole discretion that the utility's existing rates for generation and distribution services will, on a going-forward basis, either produce (1) revenues in excess of the utility's authorized rate of return or (2) revenues below the utility's authorized rate of return, then the Commission is required to order any reductions or increases, as applicable and necessary, to such rates for generation and distribution services that it deems appropriate to ensure the resulting rates for generation and distribution services (A) are just and reasonable and (B) provide the utility an opportunity to recover its costs.

The law provides that, if in any biennial review, the Commission finds that, during the test period under review, the utility has earned more than 100 basis points above the authorized fair combined rate of return on its generation or distribution services, the Commission will direct that 100 percent of the amount of such earnings that were more than 100 basis points above such fair combined rate of return be credited to customers' bills. The law requires the Commission to authorize deferred recovery for reasonable (I) actual costs associated with severe weather events and (II) actual costs associated with natural disasters, not currently in rates, and provides that the Commission shall allow the utility to amortize and recover such deferred costs over future periods as determined by the Commission. The law provides that the Commission is authorized to determine during any biennial review the reasonableness or prudence of any cost subject to the rate review incurred or projected to be incurred by the utility.

The law removes the requirement for Appalachian Power to file an integrated resource plan with the Commission.



Social Services

HB 1744. Adoption and foster care; home study reciprocity. The law provides that home studies conducted by a local board of social services or licensed child-placing agency for the purpose of placing a child in a foster home or with an adoptive family shall, on and after January 1, 2024, be transferable between all localities, local boards, and licensed child-placing agencies within the Commonwealth at the request of the prospective foster parent or the prospective adoptive parent, subject to any time limitations or other requirements imposed by law or regulation. The law requires all home studies to be conducted in accordance with the Mutual Family Assessment home study template and any addenda thereto developed by the Department of Social Services. The law directs the State Board of Social Services to promulgate regulations that establish market rates for such home studies.

HB 2025. Department of Social Services; school boards; SNAP benefits program parent information sheet; free or reduced price meals application. The law requires the Department of Social Services to develop, annually update, and provide to each school board in advance of the start of each school year an information sheet on the SNAP benefits program that sets forth the application process and such other information as the Department deems necessary or appropriate in order to properly inform the parents of students enrolled in public elementary and secondary schools of such program and encourage application by those who are eligible. The law requires each school board to ensure that such information sheet is sent home with each student enrolled in a public elementary or secondary school in the local school division at the beginning of each school year or, in the case of any student who enrolls after the beginning of the school year, as soon as practicable after enrollment. The law also requires each school board to ensure that a fillable free or reduced price meals application is sent home with each such student at the beginning of each school year or, in the case of any student who enrolls after the beginning of the school year, as soon as practicable after enrollment.

SB 1221. Assisted living facilities; minimum liability insurance. The law requires the Board of Social Services to adopt regulations requiring each assisted living facility to maintain a minimum amount of liability insurance, as determined by the Board on the basis of the number of residents for which an assisted living facility is licensed, and provide notice of such insurance, upon request, to any resident or prospective resident. Under current law, assisted living facilities must provide a statement disclosing whether the facility maintains liability insurance but can only state that it does if it meets a minimum amount of coverage established by the Board. The law directs the Board to adopt emergency regulations to implement provisions of the law.

Special License Plates

The issuance of revenue-sharing special license plates for supporters of the Blue Ridge Parkway Foundation is authorized (HB 1494 and SB 1318).

The issuance of special license plates for supporters of women veterans is authorized (HB 2080 and SB 1372).



The issuance of special license plates recognizing military service to the unremarried surviving spouse of an eligible service member is authorized. Current law authorizes such issuance inconsistently depending on the type of military service (HB 2246).

Information on obtaining special license plates is available at any DMV office or online at www.dmv.virginia.gov.

Taxation

HB 1456/SB 1476. Income tax; pass-through entities. The law makes changes to the elective entity level tax on pass-through entities effective beginning with taxable year 2021. The law would impose the tax only on the share of income, gain, loss, or deduction attributable to eligible owners as opposed to imposing the tax on the entire entity. The law defines "eligible owner" as an owner of a pass-through entity that is a natural person, estate, or trust. The law also removes the requirement that to qualify for the tax election a pass-through entity must be 100 percent owned by natural persons or persons eligible to be shareholders in an S corporation.

HB 2414. Real property tax exemption; disabled veterans. The law allows a disabled veteran or surviving spouse to apply for a real property tax exemption and receive a decision prior to purchasing a qualifying property. The law provides that the commissioner of the revenue of the county, city, or town, or such other officer as may be designated by the governing body in which the property is located, shall, within 20 business days of receiving the application, process the application and send a letter to the disabled veteran or surviving spouse stating whether the application is approved or denied. If the application is approved, the law requires the letter to include the amount of the tax exemption approved. The law provides, however, that the exemption described in such letter shall become effective only after the disabled veteran or surviving spouse becomes the owner of the property.

HB 2445/SB 1525. Wholesome food donation tax credit. The law renews the wholesome food donation tax credit for taxable years beginning on or after January 1, 2023, but before January 1, 2028. The law allows any person engaged in the business of farming that donates food crops or wholesome food, defined in the law, produced by the person in the Commonwealth to a nonprofit food bank to claim a tax credit for the taxable year of the donation in the amount of 50 percent of the fair market value of such donation, not to exceed \$10,000 for all such donations made by the person during such year.

Towing

HB 1516. Towing and recovery operators; vehicle storage. The law prohibits towing and recovery operators from refusing to allow, consistent with current law, the owner of a towed vehicle, upon presenting proof of ownership, to access and recover any personal items without retrieving the vehicle and without paying any fee.

HB 1649. Towing trespassing vehicles; limitations on fees. The law authorizes towing and recovery operators to charge a fuel surcharge fee of no more than \$20 for each vehicle towed or removed from private property without the consent of its owner and prohibits local governing bodies from limiting or prohibiting such fee. The law has an expiration date of July 1, 2024.



SB 978. Keeper of vehicles; liens; certain towing and recovery drivers and operators. The law expands a keeper of vehicles' lien in the case of a tow truck driver or towing and recovery operator furnishing services to a truck, tractor truck, or combination of vehicles, including those that are rented or leased, to apply to any power unit, tractor, trailer, or semitrailer in the combination. The law clarifies that a keeper of vehicles' lien does not extend to cargo, extends the duty of a keeper of vehicles to allow retrieval to permit the vehicle or cargo owner to access the vehicle to retrieve their cargo, and allows the keeper of vehicles to dispose of unclaimed cargo. The law also adds tow truck drivers and towing and recovery operators furnishing services involving cleanup related to vehicle collisions to the definition of "keeper of vehicles."

Traffic Infractions

HB 1932/SB 982. Yielding or reducing speed for stationary vehicles; vehicles displaying hazard lights, caution signs, or road flares. The law requires drivers to make a lane change or reduce speed when passing stationary vehicles that have activated the vehicular hazard warning signal flashers, displayed caution signs, or been marked with properly lit flares or torches on certain highways when safe and reasonable to do so and makes a violation of this requirement a traffic infraction.

SB 1069. Drivers stopping for pedestrians; certain signs; stops. The law requires the driver of a vehicle on a highway approaching a pedestrian who is crossing such highway to stop when such pedestrian is within the driver's lane or within an adjacent lane and approaching the driver's lane. Currently, a driver is required to yield the right-of-way to such pedestrian by stopping and remaining stopped. The law also provides that localities that are already authorized to install signs directing motor vehicles to yield the right-of-way to pedestrians crossing or attempting to cross a highway may also install signs directing motor vehicles to stop for such pedestrians.

Voting

HB 1948. Elections; absentee voting; witness requirement; required information on return ballot envelope; unique identifier. The law removes the witness requirement for absentee ballots and replaces it with the requirement that the voter provide the last four digits of his social security number and his birth year. The law provides that the unique identifier assigned to the voter in the voter registration system will be accepted in place of the last four digits of the voter's social security number for such purposes for those voters whose registration includes a statement of affirmation that they have never been issued a social security number.

Wills, Trusts, & Estates

HB 1860. Guardianship or conservatorship; primary health care provider of respondent. The law requires the name, location, and post office address of a respondent's primary health care provider, if any, to be included in the petition for guardianship or conservatorship. Under current law, a copy of the notice of a hearing to appoint a guardian or conservator, together with a copy of the accompanying appointment petition, must be mailed by the petitioner before such hearing to all individuals and to all entities whose names and post office addresses appear in the petition. The law further requires the guardian ad litem appointed to represent the interests of the



respondent in a guardianship or conservatorship case to make a good faith effort to consult directly with such respondent's primary health care provider.

HB 2027. Guardianship; procedures for restriction of communication, visitation, or interaction. The law provides that a guardian shall not restrict an incapacitated person's ability to communicate with, visit, or interact with other persons with whom the incapacitated person has an established relationship, unless such restriction is reasonable to prevent physical, mental, or emotional harm to or financial exploitation of such incapacitated person. Under current law, guardians are directed to not unreasonably restrict any such communication, visitation, or interaction. The law further requires that the guardian provide written notice to any restricted person stating (i) the nature and terms of the restriction, (ii) the reasons why the guardian believes the restriction is necessary, and (iii) how the restricted person may challenge such restriction in court. The law provides a procedure by which an incapacitated person or a person whose communication, visits, or interaction with an incapacitated person has been restricted may challenge such restriction in court.

HB 2028. Guardianship; duties of guardian; visitation requirements. The law requires a guardian to visit an incapacitated person at least three times per year and at least once every 120 days. The law requires that at least two of the visits be conducted by the guardian and directs that at least one of such visits be in-person. The law allows the second visit by the guardian to be conducted by the guardian via virtual conference or video call. The law allows the remaining visit to be conducted (i) by the guardian; (ii) by a person other than the guardian, including (a) a family member monitored by the guardian or (b) a skilled professional retained by the guardian to perform guardianship duties on behalf of the guardian and who is experienced in the care of individuals, including older adults or adults with disabilities; or (iii) via virtual conference or video call between either the guardian or such family member monitored by the guardian or such skilled professional and the incapacitated person, provided that the technological means by which such conference or call can take place are readily available. The law requires a person who visits the incapacitated person in lieu of the guardian to provide a written report to the guardian regarding any such visit.

Workers' Compensation

HB 1408/SB 906. Workers' compensation; presumption of compensability for certain cancers. The law expands the workers' compensation presumption of compensability for certain cancers causing the death or disability of certain employees who have completed five years of service in their position to include bladder and thyroid cancer. The presumption for these cancers does not apply for any individual diagnosed with such a condition before July 1, 2023.

HB 1775/SB 904. Workers' compensation; post-traumatic stress disorder, anxiety disorder, or depressive disorder; law-enforcement officers and firefighters. The law provides that an anxiety disorder or depressive disorder, as both are defined in the law, incurred by a law-enforcement officer or firefighter is compensable under the Virginia Workers' Compensation Act on the same basis as post-traumatic stress disorder, except in the case of responding to crime scenes for investigation. The law provides that a mental health professional must diagnose the covered individual as suffering from an anxiety disorder or depressive disorder as a result of a



qualifying event, defined in the law as an incident or exposure occurring in the line of duty on or after July 1, 2023, and includes other conditions for compensability.

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