
VIRGINIA STATE BUDGET

2026 Session

Budget Bill - HB29 (Chapter 7)

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Lease, License or Use Agreements

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§ 4-5.07 LEASE, LICENSE OR USE AGREEMENTS

a. Agencies shall not acquire or occupy real property through lease, license or use agreement until the agency certifies to the Director, Department of General Services, that (i) funds are available within the agency's appropriations made by this act for the cost of the lease, license or use agreement and (ii) except for good cause as determined by the Department of General Services, the volume of such space conforms with the space planning procedures for leased facilities developed by the Department of General Services and approved by the Governor. The Department of General Services shall acquire and hold such space for use by state departments, agencies and institutions within the Executive Branch and may utilize brokerage services, portfolio management strategies, strategic planning, transaction management, project and construction management, and lease administration strategies consistent with industry best practices as adopted by the Department from time to time. These provisions may be waived in writing by the Director, Department of General Services. However, these provisions shall not apply to institutions of higher education that have met the conditions prescribed in subsection B of § [23.1-1006](#), Code of Virginia.

b. Agencies acquiring personal property in accordance with § [2.2-2417](#), Code of Virginia, shall certify to the State Treasurer that funds are available within the agency's appropriations made by this act for the cost of the lease.

c. The Governor is authorized to enter into a Memorandum of Understanding with the United States Department of Agriculture, United States Forest Service ("USFS"), in a form approved by the Office of the Attorney General, regarding a template for use by any agency of the Commonwealth of Virginia (the "Commonwealth") of USFS land by lease, license, or permit. The template may allocate liability, including indemnification, for the use of USFS land between the USFS and the Commonwealth, which liability shall be secured by, and at the discretion of, the Division of Risk Management, Department of the Treasury, pursuant to the provisions of Virginia Code § [2.2-1837\(A\)\(2\)](#), through either 1) the Virginia Risk Management Liability Plan ("the Plan"), or 2) a separate insurance policy procured by the Division of Risk Management, the cost of which shall be charged to the agencies using USFS lands.