2026 Special Session I

Budget Bill - HB30 (Introduced)

Bill Order » Office of Commerce and Trade » Item 103

Department of Housing and Community Development

Item 103	First Year - FY2027	Second Year - FY2028
Community Development Services (53300)	**$77,687,403**	**$77,687,403**
Community Development and Revitalization (53301)	$27,974,327	$27,974,327
Financial Assistance for Regional Cooperation (53303)	$31,312,987	$31,312,987
Financial Assistance for Community Development (53305)	$18,400,089	$18,400,089
Fund Sources:		
General	$47,783,410	$47,783,410
Special	$5,272,732	$5,272,732
Trust and Agency	$150,000	$150,000
Federal Trust	$24,481,261	$24,481,261

Authority: Title 15.2, Chapter 13, Article 3 and Chapter 42; Title 36, Chapters 8, 10 and 11; and Title 59.1, Chapter 22, Code of Virginia.

A. Out of the amounts in this Item, $351,930 the first year and $351,930 the second year from the general fund is provided for annual membership dues to the Appalachian Regional Commission.

B. The department and local program administrators shall make every reasonable effort to provide participants basic financial counseling to enhance their ability to benefit from the Indoor Plumbing Program and to foster their movement to economic self-sufficiency.

C. Out of the amounts in this Item shall be paid from the general fund in four equal quarterly installments each year:

1. To the Lenowisco Planning District Commission, $114,971 the first year and $114,971 the second year, which includes $38,610 the first year and $38,610 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

2. To the Cumberland Plateau Planning District Commission, $114,971 the first year and $114,971 the second year, which includes $42,390 the first year and $42,390 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

3. To the Mount Rogers Planning District Commission, $114,971 the first year and $114,971 the second year.

4. To the New River Valley Planning District Commission, $114,971 the first year and $114,971 the second year.

5. To the Roanoke Valley-Alleghany Regional Commission, $114,971 the first year and $114,971 the second year.

6. To the Central Shenandoah Planning District Commission, $114,971 the first year and $114,971 the second year.

7. To the Northern Shenandoah Valley Regional Commission, $114,971 the first year and $114,971 the second year.

8. To the Northern Virginia Regional Commission, $190,943 the first year and $190,943 the second year.

9. To the Rappahannock-Rapidan Regional Commission, $114,971 the first year and $114,971 the second year.

10. To the Thomas Jefferson Planning District Commission, $114,971 the first year and $114,971 the second year.

11. To the Region 2000 Local Government Council, $114,971 the first year and $114,971 the second year.

12. To the West Piedmont Planning District Commission, $114,971 the first year and $114,971 the second year.

13. To the Southside Planning District Commission, $114,971 the first year and $114,971 the second year.

14. To the Commonwealth Regional Council, $114,971 the first year and $114,971 the second year.

15. To the Richmond Regional Planning District Commission, $152,957 the first year and $152,957 the second year.

16. To the George Washington Regional Commission, $114,971 the first year and $114,971 the second year.

17. To the Northern Neck Planning District Commission, $114,971 the first year and $114,971 the second year.

18. To the Middle Peninsula Planning District Commission, $114,971 the first year and $114,971 the second year.

19. To the Crater Planning District Commission, $114,971 the first year and $114,971 the second year.

20. To the Accomack-Northampton Planning District Commission, $114,971 the first year and $114,971 the second year.

21. To the Hampton Roads Planning District Commission $190,943 the first year, and $190,943 the second year.

D. Out of the amounts in this Item, $250,000 the first year and $250,000 the second year from the general fund is provided for the Lenowisco Planning District Commission and Cumberland Plateau Planning District Commission designated for operations of the Coalfield Expressway Authority. Such funds for grants shall be managed by the Virginia Coalfield Economic Development Authority.

E.1. Out of this appropriation, $200,000 the first year and $200,000 the second year from the general fund is provided for the Lenowisco Planning District Commission and the Cumberland Plateau Planning District Commission (PDC), in equal amounts, to identify, plan, and support economic development efforts within each PDC that align with federal funding opportunities, including Assistance to Coal Communities funding. In fulfilling the purposes of this paragraph, the PDCs may hire an additional position to help coordinate efforts and activities designed to maximize the receipt of federal funding by the region. These economic development initiatives may be coordinated Virginia Economic Development Partnership Authority and other regional economic development organizations as applicable. The PDCs shall provide quarterly reports to the department on the activities supported and federal investment secured as a result of the funding provided in this paragraph.

2. The department shall establish an Inter-Agency Task Force chaired by the Secretary of Commerce and Trade, or their designee, and comprised of designees from the Virginia Economic Development Partnership Authority, Virginia Energy, the Virginia Tourism Corporation, the Department of Housing and Community Development, the

Virginia Department of Agriculture and Consumer Services, the Virginia Department of Environmental Quality, the Secretary of Labor, the Virginia Coalfield Economic Development Authority, the Tobacco Region Revitalization Commission, and the Virginia Community College System. The purpose of the Inter-Agency Task Force is to review and make recommendations to support economic development in Southwest Virginia. In conducting its review, the department's Division of Economic Development and Community Vitality shall conduct regular stakeholder outreach with impacted communities and regional stakeholders to identify the necessary programs, resources, and policy changes required to support transitioning workers and communities. The Inter-Agency Task Force shall consult with impacted stakeholders including residents of the coalfield counties, employers in the coalfield counties, local government representatives, and representatives of regional nonprofit entities.

F. Out of the amounts in this item, $125,000 the first year and $125,000 the second year from the general fund is provided to the Virginia Coalfield Economic Development Authority to address telehealth and telemedicine needs in Planning Districts 1 and 2.

G. Out of the amounts in this Item, $1,568,442 the first year and $1,568,442 the second year from the general fund shall be provided for the Southeast Rural Community Assistance Project operating costs and water and wastewater grants. The department shall disburse the total payment each year in twelve equal monthly installments.

H. The department shall leverage any appropriation provided for the capital costs for safe drinking water and wastewater treatment in the Lenowisco, Cumberland Plateau, or Mount Rogers planning districts with other state moneys, federal grants or loans, local contributions, and private or nonprofit resources.

I. Out of the amounts in this Item, $470,000 the first year and $470,000 the second year from the general fund shall be provided for the Center for Rural Virginia, which shall be referred to in this act as the Senator Frank M. Ruff, Jr. Center for Rural Virginia. The department shall report periodically to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees on the status, needs and accomplishments of the center.

J. Out of the amounts in this Item, $171,250 the first year and $171,250 the second year from the general fund shall be provided to support The Crooked Road: Virginia's Heritage Music Trail.

K.1. Out of the amounts in this Item, $5,000,000 the first year and $5,000,000 the second year from the general fund shall be deposited to the Virginia Removal or Rehabilitation of Derelict Structures Fund to support industrial site revitalization. Out of the amounts in this paragraph, $2,400,000 the first year and $2,400,000 the second year is designated for removing, renovating or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond or the Town of Front Royal.

2. Notwithstanding § 36-153, Code of Virginia, or any other provision of law, moneys in the Virginia Removal or Rehabilitation of Derelict Structures Fund and moneys appropriated to support the Industrial Revitalization Fund Program shall be used to support the inclusion of solar panels or solar canopies for parking lots as a component of a real property project awarded a grant through the program. These conditions shall not apply to projects funded with the amounts provided in the preceding paragraph for removing, renovating, or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond, or Front Royal, and the projects supported with funds in the paragraphs below.

L. Out of the amounts in this Item, $1,139,000 the first year and $1,139,000 the second year from the general fund shall be provided for the Virginia Main Street Program.

M. Of the general fund amounts provided for the Virginia Main Street Program, the Indoor Plumbing Rehabilitation Program, and the water and wastewater planning and construction projects in Southwest Virginia, the department is authorized to use up to two percent of the appropriation in each year for program administration.

N.1. Out of the amounts in this Item, $875,000 the first year and $875,000 the second year from the general fund

shall be provided for the Southwest Virginia Cultural Heritage Foundation.

2. The foundation shall report by September 1 of each year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the expenditures of the foundation and its ongoing efforts to generate revenues sufficient to sustain operations.

O.1. Funds authorized in Item 102, paragraph L., Chapter 725, 2025 Acts of Assembly for the Virginia Telecommunication Initiative shall be used for providing financial assistance to supplement construction costs by private sector broadband service providers to extend service to areas that presently are unserved by any broadband provider. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027, and June 30, 2028, shall not revert to the general fund but shall be carried forward and reappropriated.

2. The department shall develop appropriate criteria and guidelines for the use of the funding provided to the Virginia Telecommunication Initiative. Such criteria and guidelines shall: (i) facilitate the extension of broadband networks by the private sector and shall focus on unserved areas; (ii) attempt to identify the most cost-effective solutions, given the proposed technology and speed that is desired; (iii) give consideration to proposals that are public-private partnerships in which the private sector will own and operate the completed project; (iv) consider the number of locations where the applicant states that service will be made available, in addition to whether customers take the service in both evaluating applications and in establishing completion and accountability requirements; and, (v) require investment from the private sector partner in the project prior to making any award from the fund at an appropriate level determined by the department. The department shall encourage additional assistance from the local governments in areas designated to receive funds to lower the overall cost and further assist in the timely completion of construction, including assistance with permits, rights of way, easement and other issues that may hinder or delay timely construction and increase the cost.

3. The department shall post electronic copies of all submitted applications to the department's website after the deadline for application submissions has passed but before project approval and shall establish a process for providers to challenge applications where providers assert the proposed area is served by another broadband provider.

4. The department shall consult with the Broadband Advisory Council to designate the unserved areas to receive funds.

5. Notwithstanding the foregoing, the department shall allow public broadband authorities to apply directly for Virginia Telecommunications Initiative funds without investment from the private sector. The cumulative total of any grants awarded to public broadband authorities shall not exceed 10 percent of total available funding in any fiscal year.

6. For grants awarded from the amounts appropriated for the construction of broadband infrastructure through the Virginia Telecommunications Initiative (VATI), the Department shall deliver a quarterly performance report to the Governor, Secretary of Commerce and Trade, Chairs of the House Appropriations Committee and Senate Finance and Appropriations Committee, and Broadband Advisory Council. To the extent possible, the quarterly performance report shall contain information by grant recipient and year on the following metrics: (1) Number of passings; (2) Grant dollars expended by fund source (State and Local Recovery Fund, Capital Project Fund, general fund state grants and match); (3) Contract performance period, and on-time progress towards project delivery; (4) Maximum advertised project speeds available; and, (5) Achievement of key project milestones. The quarterly report shall be due within 30 days of the close of the quarter. The quarterly performance report shall include an evaluation of any projects under risk of incompletion or underperformance. The department in providing such risk assessment shall include a reason for the project's delay. The Department shall develop a public-facing dashboard to be updated quarterly that contains key performance information by grant recipient and year and includes the key performance indicators outlined above. Information in this public-facing tool shall contain data beginning with grants awarded in the fiscal year 2022 Virginia Telecommunications Initiative grant cycle, and any future

VATI grant cycles.

P. Out of the amounts in this Item, $1,408,647 the first year and $1,408,647 the second year from the general fund is provided for administrative support for the Virginia Telecommunications Initiative.

Q.1. Out of the amounts in this Item, $25,330,000 the first year and $25,330,000 the second year from the general fund shall be deposited to the Virginia Growth and Opportunity Fund to encourage regional cooperation among business, education, and government on strategic economic and workforce development efforts in accordance with § 2.2-2487, Code of Virginia.

2. Of the amounts provided in this paragraph, the appropriation shall be distributed as follows: (i) $2,250,000 the first year and $2,250,000 the second year from the general fund shall be allocated to qualifying regions to support organizational and capacity building activities, which, notwithstanding § 2.2-2489, Code of Virginia, may not require matching funds if a waiver is granted by the Virginia Growth and Opportunity Board to a qualifying region upon request; (ii) $16,900,000 the first year and $16,900,000 the second year from the general fund shall be allocated to qualifying regions based on each region's share of the state population; and (iii) $6,180,000 the first year and $6,180,000 the second year from the general fund shall be awarded to regional councils on a competitive basis.

3. The Virginia Growth and Opportunity Board may allocate monies among the distributions outlined in paragraph Q.2. of this item to meet demonstrated demand for funds. However, only those regional councils whose allocation is less than $1,000,000 in a fiscal year based on the region's share of state population shall be eligible to receive an additional allocation, and the amount shall be limited such that the total allocation does not exceed $1,000,000 in a fiscal year.

4. The Virginia Growth and Opportunity Board may approve grants for assessments of commercial economic development demand and current access, and to advance the planning and engineering of broadband infrastructure that are aligned with the framework recommended by the working group, established in Chapter 2, 2018 Special Session I, Acts of Assembly and shall give priority consideration for broadband technology development and deployment to facilitate the connectivity or upgrade of services to current and proposed business-ready sites in areas of high unemployment in qualifying regions.

5. The Virginia Growth and Opportunity Board may rescind funds allocated to regional councils on a per capita basis, if the unobligated balances of a regional council exceed its average annual per capita distribution award. Any funds rescinded pursuant to this paragraph shall be retained in the Virginia Growth and Opportunity Fund (09272) and may be used by the Virginia Growth and Opportunity Board for grant awards to competitive projects. The Department shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees within 10 days of the decision by the Virginia Growth and Opportunity Board to rescind regional per capita allocations. The regional council, the amount, and reason for unused funds shall be included in such notice.

6.a. The department shall report one month after the close of each calendar quarter to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on grant awards and expenditures from the Virginia Growth and Opportunity Fund. The report shall include, but not be limited to, total appropriations made or transferred to the fund, total grants awarded, total expenditures from the fund, total per capita allocations rescinded and repurposed to competitive awards, cash balances, and balances available for future commitments. The report shall further summarize such amounts by the allocations provided in paragraph Q.2. of this item, including amounts allocated to support organizational and capacity building activities, amounts allocated to regional councils based on each region's share of the state population, and amounts to be awarded on a competitive basis by fiscal year. The report shall include details on the cash balances available in the Virginia Growth and Opportunity Fund including the unobligated balances by the per capita allocation and competitive allocation of paragraph Q.2., which shall be further disaggregated by fiscal year and regional council, as appropriate.

b. The department shall report at the close of each fiscal year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the outcomes associated with closed projects that received a grant from the Virginia Growth and Opportunity Fund on or before December 1 of each year. This report shall include itemized information that details the project name, the Regional Council, GO Virginia investment type (regional per capita, competitive, or Economic Resilience and Recovery), GO Virginia strategy, program year, date of award, committed match, anticipated project outcomes, and actual project outcomes. The department shall utilize the information provided in this report to create a public-facing performance dashboard to be updated annually that, at a minimum, includes individual projects organized by Region, total GO Virginia resources committed to the project, anticipated outcomes, and final outcomes submitted to the department at the close of the project. This information shall further be disaggregated by year and shall feature all projects receiving GO Virginia grants.

R.1. Out of the amounts in this Item, $424,000 the first year and $424,000 the second year from the general fund is provided to support the creation of a statewide broadband map. The department shall, in coordination with the Office of the Chief Broadband Advisor, develop a statewide broadband availability map indicating broadband coverage, including maximum broadband speeds available in service territories in the Commonwealth. The department and Chief Advisor shall update the map at least annually.

2. Broadband service providers shall be required to submit updated service territory data to the department annually. The department shall establish a process, timeline, and specific data requirements for broadband providers to submit their data. All public bodies shall cooperate with the department, or any agent thereof, to furnish data requested by the Department for the initial improvement and maintenance of the map.

3. In no instance may the department require broadband providers to submit any data, in either substantive content or form, beyond that which the provider is required to submit to the Federal Communications Commission pursuant to the federal Broadband Deployment Accuracy and Technological Availability Act, 47 U.S.C. § 641 et seq., provided, however, that satellite-based broadband providers that have been designated as an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(6) for any portion of the Commonwealth shall be required to submit comparable data as other broadband providers. Public bodies and broadband providers shall not be required to submit any customer information, such as names, addresses, or account numbers.

4. The department may publish only anonymized versions of the map, showing locations served and unserved by broadband without reference to any specific provider. The map shall not include information regarding ownership or control over the network or networks providing service. The department shall establish a process for broadband providers to petition the Department to correct inaccuracies in the map. Any determination made by the department pursuant to any specific petition with respect to any specific map to correct inaccuracies shall be final and not subject to further review.

5. Maps published by the department pursuant to this section may be considered, but shall not be considered conclusive, for purposes of determining eligibility for funding for Commonwealth broadband expansion grant or loan programs, including the Virginia Telecommunication Initiative, or challenges thereto.

6. The department: (i) may contract with private parties to make the necessary improvements to the existing map and to maintain the map. Such private parties may include any entities and individuals selected by the department to assist the department in improving and maintaining such a map; (ii) shall consult existing broadband maps, particularly those published by the Federal Communications Commission; and (iii) may acquire existing, privately held data or mapping information that may contribute to the accuracy of the map.

7. Information submitted by a broadband provider in connection with this section shall be excluded from the requirements of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). Information submitted by a broadband provider pursuant to this section shall be used solely for the purposes stated under this section and

shall not be released by the department, or any other public records custodian, without the express written permission of the submitting broadband provider.

8. The department shall annually evaluate federal mapping data and shall waive the requirement for broadband providers to submit territory data if a map of near identical or greater quality is made publicly available by the Federal Communications Commission as part of the federal Digital Opportunity Data Collection program or its successor. This waiver shall not be unreasonably withheld.

9. For the purposes of the initiative outlined in paragraph R. of this item, "Broadband" means Internet access at speeds equal to or greater than the broadband Internet speed benchmark set by the Federal Communications Commission. "Broadband provider" means a provider of fixed or mobile broadband Internet access service and includes any entity required to provide the federal government with information on Federal Communications Commission Form 477 or as part of the federal Digital Opportunity Data Collection program or a provider of satellite-based broadband Internet access service that has been designated as an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(6) for any portion of the Commonwealth. "Chief Advisor" means the Commonwealth Broadband Chief Advisor as established in § 2.2-205.2, Code of Virginia. "Map" means the statewide broadband availability map developed and maintained pursuant to paragraph R. of this item.

10. The department shall add layers to the Map to demonstrate broadband availability in: (i) rural areas and (ii) on farmlands. The department, in collaboration with the Center for Rural Virginia, shall determine an appropriate definition of rural for effectuating the purposes of this paragraph. The Map shall utilize information from the Virginia Land and Energy Navigator, produced by the Virginia Cooperative Extension at Virginia Tech to showcase broadband availability on Virginia prime farmland. The Virginia Cooperative Extension at Virginia Tech shall provide this data to the department at no cost.

S. 1. The department is hereby authorized to use federal funding received by Virginia from the Broadband Equity, Access, and Deployment (BEAD) Program of the Federal Infrastructure and Jobs Act (Public Law 117-58).

2. In its implementation of Public Law 117-58, the department shall first confirm that sufficient funds are allocated to ensure the deployment of service to all unserved locations and all underserved locations, followed by coverage to Community Anchor Institutions in a manner consistent with Public Law 117-58 and related federal guidance.

3. Of the federal funding remaining after Paragraph S.2., the department shall take such measures as necessary to allocate the additional funding to include the purposes outlined below, drawn from the National Telecommunications Information Administration BEAD Notice of Funding Opportunity ("NOFO") and additional guidance issued by the National Telecommunications and Information Administration:
(i) Broadband resiliency to include utility pole replacements, mid-span pole installations, and undergrounding;
(ii) Mobile wireless coverage expansion to include deployment of mobile wireless service to areas of Virginia that lack 4G/LTE coverage;
(iii) Expansion of broadband infrastructure to and within multi-dwelling units; and
(iv) Critical disaster relief telecommunications resiliency, including programs to provide innovative technology solutions to unserved homes and businesses not previously identified by broadband infrastructure expansion programs.

4. Prior to entering a contract with a subrecipient from the Broadband Equity, Access, and Deployment (BEAD) Program of the Federal Infrastructure and Jobs Act (Public Law 117-58), the department shall receive approval from the National Telecommunications Information Administration (NTIA) validating eligibility under the BEAD program.

T.1. The provisions of Item 115, paragraph Y.1. through Y.6. of Chapter 1, 2024 Acts of Assembly, Special Session I

shall continue in the event the state's subgrantee selection process for the Broadband Equity, Access, and Deployment (BEAD) Program is delayed beyond June 1, 2024, and shall last until the subgrantee process for BEAD begins.

2. Any American Rescue Plan Act funds returned during this process shall be deposited to the State and Local Fiscal Recovery Fund (12110) or the Capital Projects Fund (12120) for transfer in accordance with the provisions of Item 472, Chapter 725, 2025 Acts of Assembly.

U. Authorization provided in paragraph AA. of Item 103, Chapter 725, 2025 Acts of Assembly is continued. Funding was provided to Pulaski County for site readiness improvements including a road extension, grading, and natural gas pipeline extension. Prior to the release of any funding in this paragraph, Pulaski County shall enter into a Memorandum of Understanding (MOU) with the department; demonstrate at a minimum a dollar-for-dollar match of non-state resources for these site readiness improvements; and attest to the department the commitment of a company to locate or expand operations on the site, which may include a data center company, data center operator, manufacturer, logistics company or a company specializing in maintenance, repair, and operations. Funding shall not revert to the general fund at the end of any fiscal year, but shall be carried forward and reappropriated.

V.1. Out of this appropriation, $150,000 the first year and $150,000 the second year from the general fund is provided for administration of the Community Development Financial Institutions Fund, as established by § 36-140.01, Code of Virginia.

2. The department shall use up to 20 percent, but no less than 10 percent, of remaining balances in the fund to provide low-interest, non-forgivable loans to qualifying institutions, as defined by § 36-140.01, Code of Virginia. Interest on loans made from the fund shall not exceed three percent.

3. The department shall require (a) qualifying institutions receiving a loan from the fund to finance eligible program projects through loans, and (b) repayment of loan awards no sooner than five years after its execution of a loan contract with the qualifying institution.

W. The department shall continue the talent pathways planning grant program established in Item 114, Paragraph S., Chapter 1, 2022 Acts of Assembly, Special Session I.