VML Legislative Committee
Proposed 2026 Legislative Program and Priorities
As Amended and Approved by VML Legislative Committee
October 12, 2025

Priorities

Local Land Use

Localities must maintain control of local land use decisions. Neither the state nor the federal government should usurp or pre-empt a locality's authority to make such decisions; nor should they impose requirements that weaken planning and land use functions. This includes all types of housing, including but not limited to short-term rentals.

VML also supports local government authority to promote affordable and mixed-income housing as well as the required infrastructure to facility.

Local Revenue Sources

Local tax revenues are primarily derived from real estate, personal property (i.e., car tax), local sales and uses, Business, Professional, Occupational Licensing (BPOL), meals and transient occupancy taxes. These revenues are used to fund each locality's priorities that tend to focus on K-12 education and public safety. VML cannot support initiatives that phase out or eliminate sources of revenue to cities, counties, and towns without a firm commitment of ongoing general fund resources to offset local revenue losses.

Support for Public Education

A General Assembly joint subcommittee continues examining recommendations from the 2023 Joint Legislative Audit and Review Commission (JLARC) report on the Standards of Quality (SOQ), including recommendations on updating the SOQ in the short- and long-run. VML encourages the General Assembly to expeditiously implement and fund the JLARC recommendations to more equitably share the costs of K-12 public education with local governments and to ensure the overall success of students across the Commonwealth.

VML supports solutions to address school construction and renovation needs (estimated at $25.0 billion), including statewide local authority for a local one percent sales tax for school construction by referendum.

VML supports innovation in public schools but opposes efforts to limit local authority or to divert state funds from the public education system.

Legislative Program Items

Accessory Dwelling Units (ADUs)

Localities should retain local land use control when regulating accessory dwelling units.

Assistance to Local Police Departments (HB 599 Program)

Almost 70 percent of Virginians live in communities served by police departments. The State created a program of financial assistance to local police departments (HB 599) when it imposed an annexation moratorium on cities more than 30 years ago. It has increasingly de-emphasized this funding obligation as a priority but has never compromised on the annexation moratorium.

VML calls for the state to honor its commitment to local governments and public safety by funding the program as stipulated in the Code of Virginia or lift the moratorium on annexation.

Authority for Retired Law Enforcement to Handle Temporary Detention Orders

Allow retired law enforcement officers to handle Temporary Detention Orders (TDO's).

Cannabis Retail Sales – Local Referenda, Land Use, and Revenue Authority

VML urges the Virginia General Assembly to authorize local governments – cities, towns, and counties – to regulate land use and zoning, hold a referendum on retail sales, and tax recreational cannabis retailers.

Clarification of Franchise Fees: Non-monetary Benefits

Clarify that the Code of Virginia's prohibition of franchise fees refers only to monetary fees and does not prevent local governments from negotiating for non-monetary benefits.

Compensation for Wrongful Incarceration for Certain Intentional Acts

VML urges the General Assembly to reconsider recent legislation (H.B. 1914, 2025 General Assembly) related to compensation for wrongful incarceration. Specifically, we urge the General Assembly to provide localities with the same discretion given to the Commonwealth regarding compensation in wrongful incarceration cases in which the person has been declared innocent or received an absolute pardon for a crime the person did not commit. We also request removal of language regarding withholding of state funding to a locality in such cases.

CSA State and Local Funding Partnership

Local governments administer the Children's Services Act (CSA) program on behalf of the state, and local governments share in the funding responsibilities with the state. Local governments have consistently supported efforts to contain costs for the program, particularly the private day special education program. VML adamantly opposes the capping of state funding responsibility for this and any other component of the CSA program, which simply shifts the funding burden for mandated services onto local governments.

Deed Fraud

VML supports legislation that will assist in reducing the number of fraudulent deed transactions in the Commonwealth.

Local and Regional Juvenile Detention Facilities

Local and regional juvenile detention facilities play an integral role in the continuum of Virginia's juvenile justice system. A major consideration in maintaining the system of local and regional detention facilities is to serve youth closer to their families, their community support systems, the courts with which they are involved, and their legal counsel.

Any state-level discussion of the future of this system, including efforts involving closures or consolidations, must involve the major stakeholders involved in the system, such as members of the juvenile and domestic relations courts system, detention facility managers, and youth/family advocates.

Discussions should also consider regions looking to open facilities to serve their communities and avoid sending youth long distances for placement; include examination of ways the state can improve investments in facilities to update key infrastructure; address behavioral health needs of youth and their families to improve outcomes; and find ways to effectively address state requirements for educational services.

Local Excise Taxes

VML supports the statewide authority for local governments to establish an excise tax on the sale of vaping products. VML also supports the statewide authority for local governments to establish an excise tax on the sale of cannabis products.

Referendum Authority for Towns

VML supports inclusion of towns in any legislation authorizing referenda by local governments, including but not limited to skill games legislation.

Sovereign Immunity

Expanding liability and eroding immunities at the state level across the nation have had a chilling effect on the actions of local government officials contributing to local government insurance problems, creating immense financial risks (particularly for legal costs), and posing a substantial obstacle to the provision of needed public services. The Virginia General Assembly should strengthen and must maintain the principles of sovereign immunity for local governments and their officials.

State-mandated Tax Policy Changes and Local Revenues

Locally elected officials understand the needs of their community as well as the burden of taxation on their constituents. The Commonwealth should refrain from encroaching upon the responsibility of local officials by imposing additional exemptions from locally generated revenues or imposing additional red tape that make it more difficult to raise revenue in their communities.

Further, VML opposes any state-mandated exemptions to the local option sales tax or to the real estate tax unless the General Assembly can establish a viable revenue replacement to local governments.

Stormwater Local Assistance Funding (SLAF) and Water Quality Improvement Fund (WQIF)

VML Supports the addition of $50 million to the Stormwater Local Assistance Fund (SLAF) in Fiscal Year 2026 to meet documented needs. VML Supports continued full state funding for the Water Quality Improvement Fund (WQIF).

Study of Mandatory Property Tax Exemptions

Real property tax revenues are the mainstay of local government budgets, and state mandates that reduce these revenues place pressure on other local government budget priorities, such as property tax relief for the elderly and disabled, funding for K-12 education, and the appropriate level of taxation for each locality. VML supports the Commonwealth convening a work group (i.e., JLARC or TAX) to analyze the rising cost of mandatory property tax exemptions for disabled veterans and their families, which has increased from $8 million in 2011 to an estimated $284 million in 2025, and make recommendations to address the loss of local revenue.

The Changing Federal Funding Situation

As the federal government fundamentally changes its funding relationship with states, localities, and organizations that serve communities, VML asks that the state prioritize its resources for vital services to help protect and serve children, families, and the most vulnerable in our communities.