New Laws in Virginia Impacting Congregations

Updated August 18, 2026

Please note: The following is an overview of recent laws taking effect in Virginia and the potential implications for Virginia Synod congregations. The information below is not legal or tax advice. Best practice is to consult with an employment lawyer or tax professional for guidance on how to comply with the new laws.

Currently in Effect

- **Pay transparency (HB 636/SB 215 – Final Copy of Law)**
  - **Requirements**
    - Pay ranges required are in all job postings.
    - Employers are prohibited from asking questions about the individuals pay history in the application or in the hiring process.
  - **Potential Impact on Congregations**
    - Whenever a job is posted, it must include a description of the pay. For example, you could say that 'the position pays $15 per hour' or you could say 'Compensation: $15-20 per hour based on experience'.
    - The hiring team cannot request information about a potential employee's previous salary history.
    - The call process for rostered ministers should already complies with this law because all calls are subject to the approved Virginia Synod Compensation Guidelines which are posted on the Virginia Synod website.

- **State IRA program mandate expanded (HB 176/SB 149 – Final Copy of Law):**
  - **Requirements**
    - The law makes changes to the state-facilitated IRA savings program (RetirePathVA) and allows more employers to offer participation in the program.
    - For the purposes of this law, an eligible employee is defined as any individual who is at least 18 years and receiving wages (W-2 employees). There is no requirement for total number of hours worked to participate so full-time and part-time employees are included in the eligible employee count. Individuals who receive a 1099 are not included in the employee count.
    - Any employer with five (5) or more eligible employees is subject to the provisions outlined in the law.
    - The law requires employers with five (5) or more eligible employees to provide an option to participate in a retirement savings program but does not require the employer to make contributions to a retirement savings program.
    - If an eligible employer does not currently offer a retirement savings program to eligible employees, the eligible employer can register with RetirePathVA and provide benefits through the state-facilitated IRA savings program.
    - If the congregation receives a notice from the Virginia Employment Commission (VEC) about the retirement savings program, the congregation must respond either with an enrollment or a reason why they are exempt.
    - Employees are not required to participate in a retirement savings program.

- **Potential Impact on Congregations**
    - Any congregation with five eligible employees or more (note: include rostered ministers in the number of employees) is required to facilitate a retirement savings program for their employees.
    - If all employees are participating in Portico Benefits or another retirement savings program like a qualified plan under § 401(a), 401(k), 403(a), 403(b), 408(k), or 408(p) of the Internal Revenue Code then the requirement is met.
    - If the congregation has more than five eligible employees and all employees do not have access to a qualified plan, then the congregation should provide access to a qualified plan for any employees not currently covered by a plan.
    - Congregations with more than five eligible employees may now participate in the state-facilitated IRA savings program (RetirePathVA) to allow them to fulfill the requirement of providing access to a retirement savings program for their employees.
    - Congregations are not required to contribute to a retirement savings program on behalf of an employee.
    - It appears that eligible employers may have been sent information on the program and how to register or certify exemption, but it also appears possible to register your congregation/business to determine eligibility at this website: https://www.retirepathva.com/employers
    - According to the RetirePathVA website, here are the enrollment deadlines:
        - For employers with 10-24 employees, the registration deadline is September 30, 2026.
        - For employers with 5-9 or 25 or more employees, the registration deadline is October 30, 2026.

- **Virginia Wage Payment Act (Final Copy of Law)**
    - **Requirements**
        - In general, hourly employees must be paid at least once every two weeks or twice in a month.
        - All employers shall pay salaried employees at least once each month.
    - **Potential Impact on Congregations**
        - Congregations should check their current pay schedules to ensure that they are in compliance with this law.
        - While this law is not new this year, some congregations are aware of this requirement so it is included in this list.

Future

- **Minimum wage (HB 1/SB 1 – Final Copy of Law):**
    - **Requirements**
        - From **January 1, 2026, until January 1, 2027**, every employer shall pay to each of its
        - employees' wages at a rate not less than $12.77 per hour
        - From **January 1, 2027, until January 1, 2028**, every employer shall pay to each of its
        - employees' wages at a rate not less than $13.75 per hour
        - From January 1, 2028, until January 1, 2029, every employer shall pay to each of its employees' wages at a rate not less than $15.00 per hour

- **Potential Impact on Congregations**
    - The minimum wage in Virginia will increase incrementally over the next three years so that by January 1, 2029, the minimum wage in Virginia will be $15 per hour for hourly employees.
    - Review the pay rates of hourly employees yearly to ensure the congregation is in compliance with state law.

- **Paid sick leave (HB 5/SB 199 – Final Copy of Law):**
    - **Requirements**
        - The law requires employers to provide paid sick leave to all employees.
        - The law is being phased in by employer size — 50+ employees on July 1, 2027; 25+ employees on January 1, 2028; and all employers by January 1, 2029
        - All employees shall accrue a minimum of one hour of paid sick leave for every 30 hours worked. (40.1-33.62.A)
        - An employer that elects to provide 40 hours of sick leave at the beginning of a year shall be considered to have satisfied the provisions of the law. (40.1-33.62.D)
        - Any employer with a paid leave policy, such as a paid time off policy, that provides an employee an amount of paid leave sufficient to meet the requirements of this section and that may be used for the same purposes and under the same conditions as paid sick leave under this article shall not be required to provide additional paid sick leave to any employee that is eligible for paid leave under the policy. (40.1-33.62.E)
        - Paid sick leave shall be carried over to the year following the year in which it was accrued. An employee shall not accrue or use more than 40 hours of paid sick leave in a year, unless the employer selects a higher limit. (40.1-33.62.A)
        - Nothing in this section shall be construed as requiring financial or other reimbursement to an employee from an employer upon the employee's termination, resignation, retirement, or other separation from employment for accrued paid sick leave that has not been used. (40.1-33.62.G)

    - **Potential Impact on Congregations**
        - By January 1, 2029, congregations will need to provide paid sick leave to all employees.
        - An employee earns one (1) hour of paid sick leave per 30 hours worked and can earn up to 40 hours of paid sick leave a year unless the congregation elects to allow the employee to earn more than 40 hours of paid sick leave per year.
        - A congregation can fulfill the requirement by providing an employee forty hours or more of paid time off that can be used for any purpose.
        - Up to 40 hours of unused leave can be carried over from one year to the next.
        - Congregations will need to decide if they wish to track accrued hours of paid sick leave earned or simply grant 40 hours of paid sick leave or paid time off per year to each employee before January 1, 2029.
        - Best practice would be to include a clear statement of how the congregation is complying with this requirement in an employment contract, the details of a letter of call, and/or a personnel policy.

- **Paid family and medical leave (HB 1207/SB 2 – Final Copy of Law):**
    - **Details**
        - The paid family and medical leave act will be established, with collection of premiums from employers by April 1, 2028. Benefits will begin to be available for employees by December 1, 2028.

    - Eligibility for benefits vary, but a maximum of 12 weeks are available to a covered individual in a benefit year.
    - Benefits paid to a covered individual will generally be 80 percent of average weekly wages subject to eligibility requirements.
    - Benefits shall be managed and paid by the Commonwealth of Virginia not by individual employers.
- **Requirements**
    - A. Payroll contributions to the Fund shall be authorized in order to finance the payment of benefits under and the administration of the paid family and medical leave insurance program. (60.2-806)
    - B. Beginning on April 1, 2028, each employer shall remit to the Fund contributions in the form and manner determined by the Commission. (60.2-806)
- **Potential Impact on Congregations**
    - By April 1, 2028, the Commonwealth of Virginia will launch a new paid family and medical leave benefit of up to 12 weeks paid for by premiums collected from employers.
    - It is unclear at this point how these premiums will be determined or how they will be collected from employers.
    - It is unclear how this program will work in relation to established benefits like parental leave recommended in the Virginia Synod Compensation guidelines and outlined in some letters of call.