



Overview of General Government in SB 29 and SB 30

January 20, 2026

Overview of General Government in SB 29

- The introduced bill for FY 2026 (SB 29) proposes a net increase totaling \$431.2 million GF in FY 2026. GF spending proposals include:
 - \$312.3 million GF to make a required deposit to the Revenue Reserve Fund;
 - \$124.7 million GF to provide a one-time bonus payment of 2.0 percent of salary to state employees and state-supported local employees in June 2026;
 - \$12.4 million GF to pay credit card rebates and interest earnings to institutions of higher education; and
 - \$498,616 GF to disburse to state agencies for Line of Duty Act premiums.
- Debt services savings of \$18.6 million GF is captured in FY 2026.
- A cash balance of \$4.6 million GF is reverted in Central Appropriations.

Overview of General Government in SB 30

- General Government includes the Legislative Branch, Judicial Branch, the Executive Offices, the Administration and Finance Secretariats, Central Appropriations, and Independent Agencies.
- The introduced budget proposes a net increase totaling \$723.2 million GF over the biennium. Major GF spending proposals include:
 - \$402.9 million GF to fund a 2.0 percent salary increase in each year for state and state-supported local employees;
 - \$243.5 million GF to fund the employer's share of state employee health insurance premiums; and
 - \$67.9 million GF to adjust funding for updated estimates of debt service payments.
- Major GF savings proposals include:
 - \$95.5 million GF to reflect lower employer contribution rates for state employee retirement; and
 - \$49.7 million GF to reflect lower employer contribution rates for the other post-employment benefit programs for state employees.

Legislative, Judicial, & Executive Offices

GF Actions for the 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Total
VASAP (\$300,000 NGF Each Year for Local Offices)	\$0.0	\$0.0	\$0.0
GOV: Office of Children's Ombudsman 2.0 Positions	0.3	0.3	0.6
OAG: Increase Position Level by 50.0 Each Year	-	-	-
Sec. of Commonwealth: Technology and Automation (\$500,000 NGF)	-	-	-
Interstate Organizations	>0.1	>0.1	0.1
Criminal Fund Payment Increases	20.4	20.4	40.8
Expand Courtroom Videoconferencing Infrastructure	1.1	2.3	3.4
Increase Guardian Ad Litem Payment Rate	1.5	1.5	3.0
Judicial IT Operations Cost Increases	1.0	1.0	2.0
Judicial Security Operations Center	0.7	1.1	1.8
Drug Treatment Court Evaluation Positions (Backfill NGF Revenue Declines)	<u>0.2</u>	<u>0.2</u>	<u>0.3</u>
Total	\$25.2	\$26.8	\$52.0

Administration

GF and NGF Actions for the 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Total
Compensation Board: Sheriffs' Offices Positions (Deputy Sheriffs, Admin)	\$4.6	\$4.6	\$9.2
DHRM: IT Investments, Data Warehouse, Disaster Recovery	0.6	0.1	0.7
DHRM: Commonwealth Leadership Academy	0.2	-	0.2
DHRM: Expand Human Resource Shared Service Center	0.3 NGF	0.3 NGF	0.3 NGF
ELECT: Replace Campaign Finance System	3.3	-	3.3
ELECT: Mailing and Postage Costs	0.3	0.3	0.6
DGS: Statewide Building Management	8.3 NGF	8.0 NGF	16.3 NGF
DGS: Fleet Management	5.1 NGF	5.5 NGF	10.6 NGF
DGS: Virginia Distribution Center and Institute for Procurement	4.6 NGF	4.7 NGF	9.3 NGF
DGS: Division of Consolidated Laboratory Services	0.7 NGF	0.8 NGF	1.5 NGF
VITA: Internal Service Fund for Agency IT Usage	13.3 NGF	13.3 NGF	26.6 NGF
VITA: Substance Use Disorder Data Analytics Platform	0.3 NGF	0.4 NGF	0.7 NGF
Total of GF Actions	\$9.0	\$5.0	\$14.0

Finance Agencies

GF Actions for the 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Total
Treasury: Information Technology Positions	\$0.7	\$0.7	\$1.4
Treasury: Division of Risk Management Positions	0.1	0.1	0.2
TAX: Cybersecurity Positions	0.5	0.5	1.1
TAX: Communications System with Localities	0.4	0.2	0.6
DOA: Information Technology Replacements	0.8	-	0.8
DOA: Annual Financial Report Automation	0.4	0.1	0.5
Treasury Board: Debt Service Funding	<u>20.0</u>	<u>47.8</u>	<u>67.9</u>
Total	\$22.9	\$49.4	\$72.3

Central Appropriations

GF Actions for the 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Total
2.0% Salary Increase for State Employees & State-Supported Locals	\$126.7	\$276.2	\$402.9
Agency Health Insurance Premium Costs	99.4	144.1	243.5
Agency Information Technology Costs	14.6	14.6	29.2
Higher Education Credit Card Rebates and Interest	12.4	12.4	24.8
Agency Workers' Compensation Premiums	4.6	4.8	9.4
Line of Duty Act Premiums	4.1	4.1	8.2
Agency Risk Management Premiums	3.0	3.4	6.4
Agency Rent Costs	2.4	2.4	4.8
Agency Cardinal Human Capital Management Cost	0.6	1.5	2.1
State Agency Minimum Wage Increase in Costs	0.4	1.4	1.8
Agency State Retirement Contributions	(46.7)	(48.8)	(95.5)
Agency Post-Employment Benefit Programs Contributions	(24.4)	(25.4)	(49.7)
Agency Cardinal Financials & Performance Budgeting Costs	(1.6)	(1.3)	(2.9)
Total	\$195.5	\$389.4	\$584.9

Independent Agencies

NGF Actions for the 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Total
SCC: Fund 29 Positions Across Divisions and IT Modernization	\$3.4	\$8.9	\$12.3
SCC: Increase Collections of Uninsured Motorist Fees	3.4	3.4	6.8
SCC: Increase Federal Grants	0.7	0.7	1.4
VRS: Improve IT, Service Delivery, and Operational Costs (24.0 Positions)	15.2	16.2	31.4
VRS: Enhance Asset Management (6.0 Positions)	10.6	13.7	24.3
VRS: Management of Trust Fund Assets (9.0 Positions)	2.8	3.7	6.5
VRS: Virginia Volunteers' Service Award Program (\$230,000 GF)	-	-	-
LOTTERY: Operational Costs	88.0	96.8	184.8
LOTTERY: Casino Payments to Localities	25.0	25.0	50.0
LOTTERY: Gaming Operation Costs	11.5	11.5	23.0
SAVERS PLAN: IT and Operational Costs (10.0 Positions)	3.5	3.6	7.1
SAVERS PLAN: Authorize \$75.0 million of Surplus for VMSDEP (Lang.)	-	-	-
OPIOID ABATEMENT: Funding for Anticipated Awards	5.9	1.8	7.7
Total NGF	\$170.0	\$185.3	\$355.3

General Government Language Items

- Directs up to \$1.1 billion in FY 2026 surplus revenue to replace bond financing in Capital Outlay.
- Requires Treasury's Risk Management Programs to be included in the annual internal service fund review process at the Department of Planning and Budget.
- Requires agencies to demonstrate financial hardship if approved for a waiver from paying the retirement benefits costs of the Workforce Transition Act.
- Authorizes a working capital advance of \$15.6 million for the Department of Accounts to update Cardinal Financials.
- Exempts Department of Taxation from paying court fees for accessing land records remotely.
- Allows issuers of tax-advantaged bonds to use sale proceeds of financed real property to maintain the tax-advantaged status of the bonds.
- Authorizes a Treasury Loan for the Department of General Services to manage cash flow for its internal service funds.
- Provides a \$2.0 million line of credit for Consolidated Labs cash management of federal grants.