

Overview of SFAC Amendments

SB 29 (Amendments to 2022-24 Budget)

SB 30 (2024-26 Biennial Budget)

February 22, 2024

Topic Order

 Overview/ Resources	K-12 Education 	 Higher Education & Other Ed.	 Health & Human Res.	 Public Safety & Veterans
Economic Development 	Natural Resources/ Ag. & Forestry 	 Transportation	General Government 	 Capital Outlay

Overview and Resources

Budget for FY 2024 and 2024-26 Biennium

Two Budget Bills

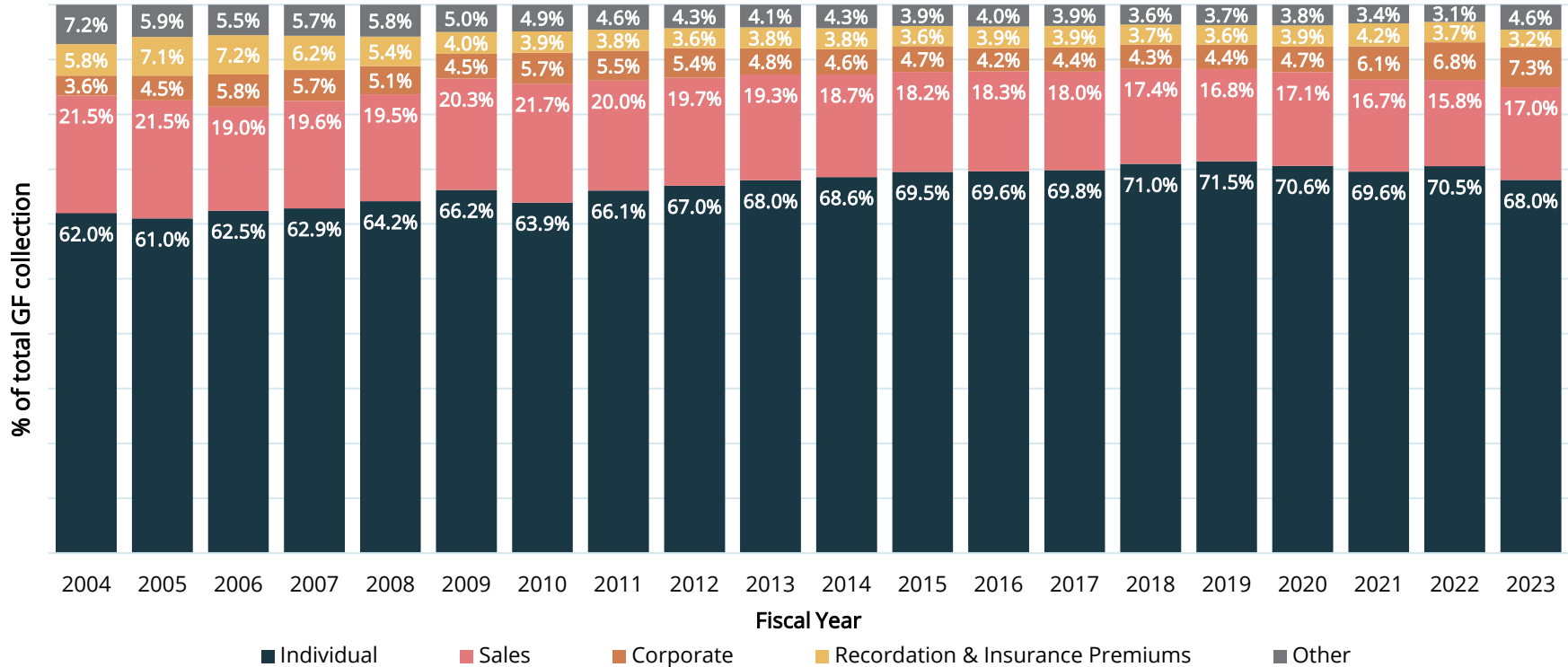
- **SB 29 (“Caboose Bill”)** – Amends the CURRENT budget (Chapter 1) to reflect the revised revenue estimate, required spending, and any savings in FY 2024.
 - Effective when signed by the Governor.
- **SB 30** – The proposed biennial budget for the next two fiscal years, FY 2025 and FY 2026.
 - Effective July 1, 2024.

Committee Budget - Key Themes in Proposed Spending

- Increases structural balance by reversing items from the introduced budget to further align one-time sources with one-time spending (cash in capital outlay, Literary Fund for school construction, etc.).
- Prioritizes funding for PreK-12 education (and pay increases for teachers, state, and state-supported local employees).
- In Health and Human Resources, support is focused on behavioral health, crisis funding, and necessary Medicaid provider rate increases.
- In the introduced budget, mandatory spending in Medicaid, K-12 rebenchmarking, and backfilling Health Care Fund revenue shortfall consumed most GF resources.
- Reverses the \$1.0 billion of tax reductions from the introduced budget and accounts for revenue from the New Economy categories for individuals and businesses to allow for additional policy actions.
- New Economy categories recognize shifting consumption patterns to keep from further eroding the sales tax base (digital downloads, streaming, etc.).
- Revenue Reserve Fund withdrawal is spread between the two years and is used exclusively for one-time funding.

Sales Tax Revenue has Narrowed Over Time

Individual income, sales tax, and corporate income taxes account for 90 percent of the general fund revenue.



Source: Virginia Department of Taxation.

SB 30, as introduced, Includes Significant One-Time Revenue Sources and Proposes Funding Several Items in the First Year Only

Proposed Budget Concerns (\$ in millions)				
	FY 2025		FY 2026	
	GF	NGF	GF	NGF
One-Time Resources				
Revenue Reserve Fund Transfer to GF	\$712.2	0.0	\$92.8	0.0
Children's Services Act - No growth assumed in second year	48.5	0.0	48.5	0.0
Direct Aid: Divert Literary Fund for VRS Teacher Unfunded Liability	0.0	235.0	0.0	0.0
VA Department of Agriculture and Consumer Services – Transfer NGF to GF	2.5	0.0	0.0	0.0
Operational Reductions to Central Agencies				
Department of General Services – Rent savings plan for James Monroe Building	(\$1.1)	\$0.0	(\$7.1)	\$0.0
Department of Accounts – Capture Vacant Positions	(0.9)	0.0	(0.9)	0.0
Department of Planning and Budget – Capture Vacant Positions	(0.1)	0.0	(0.1)	0.0
Ongoing Funds Converted to One-Time or Funding Not Included in the Second Year Base				
Central Maintenance Reserve	\$404.0	\$0.0	\$0.0	\$0.0
SCHEV - Internships	19.0	0.0	1.0	0.0
SCHEV - Pell Initiative	0.0	0.0	(37.5)	0.0
Use of Nongeneral Funds to Support General Fund Operations				
Direct Aid – Divert Literary Fund for GF Teacher Retirement Costs	(\$150.0)	\$150.0	(\$150.0)	\$150.0
Marine Resources Commission – Supplant with Marine Waterways Improvement Fund	(0.7)	0.7	(0.7)	0.7
Proposals that Conflict with Code				
Direct Aid – Remove Supplemental Payments in Lieu of Grocery Tax	(\$114.5)	\$0.0	(\$114.5)	\$0.0
Online Virginia Network Authority – Remove Funding	(4.0)	0.0	(4.0)	0.0
New College Institute – Remove Second-Year Funding	0.0	0.0	(3.1)	0.0
Student Loan Ombudsman – Remove Second-Year Funding	(0.1)	0.0	(0.2)	0.0

SB 29 GF Resource Changes

	Chapter 1	SB 29	Difference	SFAC Amend.	Change
Prior Year Balance	\$10,930.6	\$10,930.6	\$0.0	-	\$0.0
Additions to Balance	(7,126.1)	(6,614.9)	511.2	-	511.2
Revenue Forecast	26,369.3	27,732.7	1,363.4	21.8	1,385.2
Transfers	<u>(129.8)</u>	<u>(50.4)</u>	<u>79.4</u>	<u>84.1</u>	<u>163.5</u>
Total GF Resources	\$30,044.0	\$31,998.0	\$1,954.0	\$105.9	\$2,059.9
Unappropriated Balance (Chapter 1)			\$7.3	-	\$7.3
SB 29 Difference in Available Resources			1,954.0	-	1,954.0
SB 29 Net Spending Decrease/(Increase)			<u>392.5</u>	<u>8.7</u>	<u>401.2</u>
SB 29 Carry Forward Balance			\$2,353.8	\$114.6	\$2,468.4

SB 30 GF Resources Available for Appropriation

(\$ in millions)	SB 30	SFAC Amend.	Total
Beginning Balance (from SB 29)	\$2,353.8	\$114.6	\$2,468.4
Adjustments to Balance	(1.0)	-	(1.0)
Ch.1 Base GF Revenue and Transfers	52,479.0	-	52,479.0
GF Economic Forecast Adjustments	6,029.2	-	6,029.2
GF Net Assumed Tax Policy Actions	(999.5)	2,435.9	1,436.4
Transfer Revenue Reserve Fund to GF	805.0	(82.2)	722.8
Transfer Adjustments	<u>2,271.8</u>	<u>155.8</u>	<u>2,427.6</u>
GF Resources Available for Appropriation	\$62,938.3	\$2,624.1	\$65,562.4
Ch.1 GF Base Budget, Adjusted Base by SFAC	\$58,929.4	-	\$58,929.4
Proposed GF Operating Spending	3,083.6	2,033.2	5,116.8
Proposed GF Capital Outlay Spending	<u>916.6</u>	<u>580.1</u>	<u>1,496.7</u>
Total Proposed GF Spending	<u>\$62,929.6</u>	<u>\$2,613.3</u>	<u>\$65,542.9</u>
Unappropriated Balance	\$8.7	\$10.8	\$19.5

SFAC Tax Policy Actions Increase Revenue by \$2.4 Billion

Reversing assumed reductions from introduced tax policy actions increased revenue by \$999.5 million.

General Fund Impact of Committee Approved Tax Policy Actions

(\$ in millions)	FY 2025	FY 2026	Biennium
Remove Governor's Proposed Tax Policy Actions in SB 30	\$410.5	\$589.0	\$999.5
Expand Sales Tax Base for New Economy (Streaming, Digital Downloads, Computer/Digital Services)	378.1	946.6	1,324.7
Reflect Actual Education Improvement Scholarship Tax Credit Utilization	10.0	10.0	20.0
Restore Land Preservation Cap in Part 3	10.3	10.3	20.6
Historic Rehabilitation Tax Credit (SB 556)	0.0	(15.0)	(15.0)
Increased Revenue from Tax Compliance Efforts	12.8	25.6	38.4
Additional Revenue from Senate Legislation	<u>15.7</u>	<u>32.0</u>	<u>47.7</u>
Total Revenue Actions	\$837.4	\$1,598.5	\$2,435.9

Note: May not sum due to rounding.

Imposes existing sales and use tax on **digital personal property** (e.g., digital downloads) and **taxable services** (includes software application services, website hosting and design, data storage, streaming services, and computer-related services).

Sales and Use Tax Proposals: K-12 Impact

(\$ in millions)	FY 2025	FY 2026
K-12 Sales Tax: Expand Base for Digital Products & Taxable Services	\$139.8	\$350.1
Basic Aid Offset *	<u>(77.6)</u>	<u>(194.3)</u>
Net Impact of Sales Tax Policy Changes	\$62.2	\$155.8
Policy: Reinstate Supplemental Payments in Lieu of Grocery Tax	\$272.5	\$273.6
Basic Aid Offset *	<u>(\$151.3)</u>	<u>(\$151.9)</u>
Net Impact of Remove Supplemental Payments in Lieu of Grocery Tax	\$121.3	\$121.8
Total Net Impact to Divisions (Tax-Related Policy Changes)	\$183.5	\$277.6

* For every \$1.00 increase in K-12 sales tax, the total Basic Aid cost decreases by a like amount. Therefore, when sales tax increases, the state's GF share is reduced by \$0.55 and, on average, localities receive an additional \$0.45 to cover Basic Aid costs.

Public Education

SB 29 Direct Aid: Summary of Proposed Amendments

GF Actions for FY 2024 (\$ in millions)	SB 29	SFAC Amend	Total
Update Average Daily Membership (ADM) projections based on actual Fall Membership data from Fall 2023	(\$58.7)	-	(\$58.7)
Update categorical programs	0.9	-	0.9
Update distributions for school age population based on the latest estimate from the Weldon Cooper Center	0.1	-	0.1
Update enrollment data for English as a Second Language	(4.0)	-	(4.0)
Update Fall Membership in Direct Aid program formula	(0.8)	-	(0.8)
Update incentive programs	(37.2)	-	(37.2)
Update Lottery Proceeds for public education	(89.5)	-	(89.5)
Update Lottery supported programs	(18.6)	-	(18.6)
Update remedial summer school program participation	(2.7)	-	(2.7)
Update sales tax revenues for public education	(71.4)	-	(71.4)
Update supplemental education programs	(0.6)	-	(0.6)
Early Childhood Technical Update	-	(0.6)	(0.6)
VPI and Early Childhood Technical Updates	-	<u>(\$9.6)</u>	<u>(\$9.6)</u>
Transfer College Laboratory School Balances (Part 3)			
Total	(\$282.6)	(\$10.2)	(\$292.8)

Overview of Public Education in SB 30

- SFAC amendments provide an additional \$1.6 billion GF over the biennium. When combined with the policy actions in the introduced budget and other NGF revenues, including school construction funding through Literary Fund and Casino proceeds, the total investment is over \$2.6 billion.
- Major GF investments across the biennium include:
 - \$524.7 million GF to provide 3% salary increases for teachers on October 1, 2024 and July 1, 2025;
 - \$400.7 million GF to remove the support position cap;
 - \$300.0 million GF for VRS contributions and to restore Literary Fund for school construction loans;
 - \$243.1 million to restore the general fund payment in lieu of sales tax, bringing the net payment to \$14.1 million;
 - \$218.0 million GF to reflect the New Economy sales tax base expansion;
 - \$370.4 million GF for At-Risk students (increase to the At-Risk Add On and additional per pupil funding);
 - \$86.7 million GF to restore the Virginia Preschool Initiative (VPI) LCI cap and maintain funding amounts;
 - \$61.2 million GF to support the expanded reading specialist staffing standard;
 - \$26.7 million GF to increase the ratio for English language learners from 20 to 22 per 1,000 students; and
 - \$6.8 million GF to increase the reimbursement rates for the school breakfast program.

SB 30 Direct Aid: Summary of Proposed Amendments

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Rebenchmarking, Technical Updates, or Removal of One-Time Items	(\$204.6)	(\$3.8)	(\$208.5)
3% Salary Increase on Oct 1, 2024 and July 1, 2025	122.7	402.0	524.7
Remove Support Position Cap	-	400.7	400.7
Sales Tax Base Expansion New Economy	-	218.0	218.0
SFAC Restores General Fund Payment in Lieu of Sales Tax	(229.0)	243.1	14.1
At-Risk Add On (+\$25.0 M NGF in FY 2025 from 2024 Lottery Proceeds)	-	200.6	200.6
Per Pupil Funding for Students Placed At-Risk	-	169.8	169.8
Support Expanded Reading Specialist Staffing Standard	61.2	-	61.2
Increase Ratio for English Language Learners from 20 to 22 per 1,000	-	26.7	26.7
Increase Reimbursement for School Breakfast Program from \$0.22 to \$0.30	-	6.8	6.8
SFAC Provides GF for VRS Contributions & Restores Literary Fund School Construction Loans	(300.0)	300.0	0.0
SFAC Redirects GF and Restores Literary Fund for School Construction	115.0	(115.0)	0.0
1% Bonus for Instructional and Support Positions in FY 2025 (Redirected to salaries)	53.0	(53.0)	0.0
Remove Sales Tax Base Expansion in Introduced Budget	85.7	(85.7)	0.0
Redirect Funding for College Partnerships Laboratory Schools	60.0	(60.0)	0.0
Redirect Diploma Plus Funding	40.0	(40.0)	0.0
Restore VPI LCI Cap and Funding Amounts	(106.7)	86.7	(20.0)
Redirect Cap on Supplemental Basic Aid Payments	3.5	(3.5)	0.0
Redirect Funds for Supplemental Support for Accomack and Northampton	1.6	(1.6)	0.0
Subtotal, Direct Aid	(\$297.5)	\$1,691.8	\$1,394.3

SB 30 Supplemental Education: Summary of Proposed Amendments

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Career and Technical Education Initiatives	-	\$8.0	\$8.0
21 st Century Community Learning Centers	-	5.0	5.0
Community Schools Fund (SB 608)	-	1.0	1.0
National Teacher Certification Licensure	-	1.0	1.0
Increase Communities in Schools Funding	1.0	(1.0)	0.0
Community Builders Pilot Program	-	0.4	0.4
Increase Vision Screening Grant Funding	0.4	-	0.4
Reach Virginia	0.6	-	0.6
Virginia Holocaust Museum	0.4	-	0.4
Reck League Mentor-Based Reading Program	-	0.3	0.3
Cardiac Emergency Response Plan Grants (SB 181)	0.0	0.3	0.3
Dual Enrollment Credentials (transferred from SCHEV)	0.2	-	0.2
Grow Your Own Teacher Program (transferred from SCHEV)	0.4	-	0.4
eMediaVA Digital Content for Schools	-	0.2	0.2
EduTutorVA	-	0.2	0.2
Soundscapes	-	<u>0.1</u>	<u>0.1</u>
Subtotal Supplementals	\$3.0	\$15.6	\$18.6

SB 30 Direct Aid: Summary of Proposed Amendments

NGF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Teacher Retirement (SFAC Restores with GF to Use Literary Fund for School Construction)	\$300.0	(\$300.0)	-
Reduce Unfunded Liabilities for Teacher Retirement (Literary Fund)	235.0	(235.0)	-
School Construction Fund (NGF from Casino Gambling Proceeds)	160.0	-	160.0
Continue Child Care Subsidy Program After Federal Funding Ends	39.0	-	39.0
Align NGF appropriation with Estimated Revenue (Virtual Virginia)	(\$43.6)	-	(\$43.6)
Total	\$690.4	(\$535.0)	\$155.4

Language directs the Department of Education to provide up to \$400.0 million over the biennium to support school construction loans through the Literary Fund.

SB 30 Department of Education: Proposed Amendments

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Continue Child Care Subsidy Program After Federal Funding Ends	\$412.1	(\$17.2)	\$394.9
Maintain Teacher Licensure System	0.8	-	0.8
Restore Funding for the Office of School Quality	(3.8)	2.9	(0.9)
Funding for Office of Community Schools	-	0.5	0.5
Support for Special Education Study	-	0.1	0.1
Fiscal Support for Joint Subcommittee	-	0.6	0.6
Redirect Funding for New State Assessment System (Language for a Plan)	40.0	(40.0)	0.0
Redirect Funding for Mental Health Services	14.4	(14.4)	0.0
Redirect Funding for Chief School Mental Health Officer	0.4	(0.4)	0.0
Redirect Digital Wallet for Child Care Subsidy Program	<u>\$1.0</u>	<u>(\$1.0)</u>	<u>0.0</u>
Total Department of Education	\$463.8	(\$68.9)	\$394.4

Language Amendments

Secretary of Education

- Adjusts language related to the workgroup to review compensation included in the introduced budget.

Department of Education

- **Provide flexibility for child care staff-to-child ratios.** Continues flexibility for the Superintendent of Public Instruction to change staff-to-child ratios and group sizes for licensed child care centers that participate in the Child Care Subsidy Program.
- **State Assessment System.** Requests an updated timeline related to costs and an implementation plan.

Early Childhood

- **Mixed-Delivery.** Maintains language in the introduced budget to transfer unused funds to the Child Care Subsidy Program; changes the ages served from only three to four-year olds to birth through five-years old; adds reporting requirements and waiting lists; and implements attendance requirements, parental workforce activity, and family co-pays aligned with the Child Care Subsidy Program. Requires that no family pays more than seven percent of income for childcare copayments.
- **Virginia Preschool Initiative (VPI).** Maintains funds for unfilled slots; requires reporting and waitlists; and restores the local composite index cap that was removed in the introduced budget.
- **Child Care Subsidy Program.** Allows funds to carryover to the following year, requires reporting and waitlists; and designates unused COVID relief funds to be redirected if there are unused balances. Maintains the same number of slots in FY 2024 for FY 2025 and FY 2026. Requires that no family pays more than seven percent of income for childcare copayments.

Higher Education and Other Education

Overview of Higher Education in SB 29 & SB 30

SB 29: Maintains \$1.8 million GF to fund the state match and maximize federal funds received due to Virginia State University's status as an 1890 Land Grant Institution.

SB 30: Includes a net increase \$209.9 million GF over the biennium when combined with the introduced budget. Major investments include:

- \$73.8 million to support undergraduate need-based financial aid;
- \$54.0 million in operational support to institutions;
- \$37.5 million to restore funding in the second year to support student access and completion initiatives for low-income students (Pell Initiative);
- \$37.0 million for the merger of Eastern Virginia Medical School with Old Dominion University;
- \$9.2 million to increase funding for Workforce Credential Grant program; and
- \$7.8 million to establish community college regional career placement centers.

SB 30: Higher Education

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Institutions – Undergraduate Need-Based Financial Aid	-	\$73.8	\$73.8
Institutions – Operational Support	-	54.0	54.0
SCHEV – SFAC Restores Pell Initiative Funding in the Second Year	(37.5)	37.5	0.0
Institutions – Graduate Aid	-	10.0	10.0
ODU/EVMS Merger	37.0	-	37.0
Campus Safety and Security (redirected to ongoing operational support)	16.6	(16.6)	0.0
Workforce Credential Grant	9.2	-	9.2
Regional Career Placement Centers at VCCS	7.8	-	7.8
Mental Health Statewide Contract	6.0	(6.0)	0.0
VA Military Survivors & Dependents Stipends	4.0	-	4.0
VSU – Cooperative Extension Services	3.6	-	3.6
JMU – Fast Flex Nursing Program	2.0	(2.0)	0.0
Virtual Library of Virginia Consortium	1.0	-	1.0
Online Virginia Network – Remove Funding	(8.0)	-	(8.0)
New College Institute – SFAC Restores Funding in the Second Year	(3.1)	3.1	0.0
SCHEV – SFAC College Transfer Grant (align to demand)	(1.6)	0.2	(1.4)
SCHEV – SFAC Restores Fund for Excellence and Innovation	(0.5)	0.5	<0.1
SCHEV – SFAC Restores Student Loan Ombudsman Funding	(0.3)	0.3	0.0
SCHEV – SFAC Restores Optometry Grant Program	<(0.1)	<0.1	0.0
Grow Your Own Teacher & Dual Enrollment Credential Program – from SCHEV to DOE	(0.7)	-	(0.7)

SB 30: Higher Education (cont'd)

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
VIMS – Facilities Review	\$0.2	(\$0.2)	\$0.0
Roanoke Higher Education Center	-	0.2	0.2
Southern Virginia Higher Education Center	-	0.2	0.2
Cardinal Education (Graduate Engineering) administration from UVA	(0.1)	(0.1)	(0.2)
Cardinal Education (Graduate Engineering) administration to SVHEC	0.1	0.1	0.2
Southwest Virginia Higher Education Center	-	0.2	0.2
Institute for Advanced Learning	-	0.2	0.2
Jefferson Lab	-	(1.0)	(1.0)
Innovative Internship Program – to SCHEV from Central Appropriations	<u>20.0</u>	-	<u>20.0</u>
Total Higher Education	\$55.7	\$154.2	\$209.9

SB 30: Select Actions & Language Amendments

- **Maintain affordable access operational support (\$75.0 million each year):**
 - Transfers funding to each institution's base budget as authorized in Chapter 1, 2023 Special Session 1.
- **Virginia Military Survivors and Dependents Program Adjustments:**
 - Adjusts program eligibility to individuals who are between the age of 16 to 26 and meet domicile requirements (with some exceptions).
 - Applies tuition waivers to tuition and education and general (E&G) fees for undergraduate degree programs.
 - Requires the completion of state and federal financial aid applications to leverage other sources of funding.
 - Provides a hold harmless for existing students in the program.
- **Internship Program:**
 - Provides level funding for each year of the program and includes language related to use of the funds.

SB 30: Select Language Amendments

- **Tuition Assistance Grant:**
 - Maintains the current online award amount at 50.0 percent of the campus-based award (\$2,250).
 - Permits institutions to develop an online application.
 - Extends the deadline for applications from July 31 to September 15.
- **FAFSA Simplification - Alignment of State Aid Language:**
 - Maintains language to align state aid with upcoming changes to the Free Application for Federal Student Aid (FAFSA).
 - Maintains the hold harmless for current students to continue state aid under current criteria.
- **Level III Language**
 - Restores language references related to management agreements included in Chapter 1, 2023 Special Session I.
 - Removes requirements that Level III institutions provide 25.0 percent NGF to support education and general (E&G) projects that are new construction, major renovation, or an acquisition.

Overview of Other Education in SB 29 & SB 30

GF Actions for the 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
LOV – Public Library Aid	\$0.0	\$5.0	\$5.0
Gunston Hall – Operating	<u>0.0</u>	<u>2.2</u>	<u>2.2</u>
Total	\$0.0	\$7.2	\$7.2

SB 30: Introduced Budget

- No GF allocations. NGF adjustments for VA Museum of Natural History.

SB 29: SFAC Proposed Amendments

- \$1.0 million GF for the William King Museum.

Health and Human Resources

Overview of SB 29 – Health and Human Resources

- SB 29, as introduced, includes a net reduction of **\$85.3 million GF** and a decrease of \$225.0 million NGF for HHR.

GF Actions for FY 2024 (\$ in millions)	FY 2024
Children’s Services Act	\$36.4
Health Care Fund (Funds Medicaid State Match)	28.5
Medicaid, Children's Health Insurance Program, Family Access to Medical Insurance Security, and Involuntary Mental Commitments Forecasts	(139.3)
Permanent Supportive Housing	(10.0)
Social Services (Child Welfare Forecast, SNAP Overissuance Settlement, Contract Costs for Income Verification, Summer EBT Program)	1.9
Modify Language Related to ARPA Funding for Administrative Systems	Language
Eliminate Office of Emergency Medical Services Part 3 Transfer (\$12.5 million)	Language
Dementia Funds to be Used for Discharge and Diversion of Older Adults	<u>Language</u>
Total SB 29 for HHR	(\$85.3)

Overview of Health and Human Resources in SB 30

- **SFAC amendments** provide an additional net \$54.2 million GF for a total net increase of \$1.8 billion GF over the biennium. Major GF spending amendments include:
 - \$1.2 billion GF to fully fund the Medicaid program;
 - \$121.0 million GF to fund community-based behavioral health services;
 - \$112.5 million GF to add 3,440 developmental disability waiver slots;
 - \$97.0 million GF to fund the growth in the Children's Service Act program;
 - \$69.5 million GF for Medicaid provider rate increases;
 - \$62.6 million GF to fund the children's health insurance programs;
 - \$39.8 million to enhance salaries at state psychiatric and training center facilities;
 - \$15.9 million GF for relative maintenance payments and alternative foster care arrangements; and
 - \$10.8 million GF to supplant TANF block grant funding for certain organizations.

DMAS Forecasts and Other Items

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Medicaid Forecast and Health Care Fund (SFAC: Liquid Nicotine Increase)	\$1,224.0	(\$42.0)	\$1,182.0
3,440 Developmental Disability Waiver Slots (SFAC: Quarterly Phase-In)	150.2	(37.7)	112.5
Children's Health Insurance Programs Forecast	62.6	-	62.6
SFAC: Developmental Disability Waiver Rates (2.1% Increase)	-	37.4	37.4
SFAC: Fund Cover All Kids Legislation	-	12.4	12.4
SFAC: Increase Medicaid Dental Rates (3% Increase)	-	11.3	11.3
SFAC: Consumer-directed Facilitation Services	-	10.1	10.1
SFAC: Durable Medical Equip. Rates (Enteral formula & feeding tubes)	-	4.8	4.8
SFAC: Medicaid Coverage of Human Donor Milk	-	4.4	4.4
SFAC: Nursing Facility Value-based Inflation	-	4.2	4.2
Replacement of Fiscal Agency Services System	3.2	-	3.2
Authorization and Funding for Managed Care Contract Reprocurement	1.2	(1.2)	-

DMAS Forecasts and Other Items

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SFAC: Medicaid Remote Patient Monitoring	-	2.7	2.7
SFAC: Therapeutic Group Home Rates for Children	-	1.7	1.7
SFAC: Evaluation of Medicaid Eligibility Determination	-	0.5	0.5
SFAC: Medicaid Coverage of Long-Acting Injectables	-	0.4	0.4
SFAC: Design of Community Health Worker Benefit	-	0.1	0.1
SFAC: Rate Increase for Peer Mentoring Services	-	>0.1	>0.1
Improve Third Party Liability Recoveries (3.0 Positions)	3 FTEs	4 FTEs	7 FTEs
Restrict Medicaid Coverage of Weight Loss Drugs (40 BMI)	(8.9)	-	(8.9)
Involuntary Mental Commitments Forecast	(3.2)	-	(3.2)
Clarify Coverage of Prevention Services for Adults	(0.6)	-	(0.6)

DMAS Language Items

- **Medicaid Managed Care Reprourement: SFAC amendments** delay implementation of the new contracts until July 1, 2025, to allow time for the General Assembly to better understand the proposed program changes and the associated fiscal implications.
- **Medicaid Benefits: SFAC amendments** direct planning or design for new Medicaid benefits for violence prevention services, eating disorder treatment services, a Diabetes prevention program, and include a workgroup on jail-based services.
- **Medicaid Providers: SFAC amendments** create a process for Community Health Centers to report changes in scope of service, modify inflation for Psychiatric Residential Treatment Centers, require guidelines for a Collaborative Care model, promote standard billing practices for Community Services Boards, and create a Disproportionate Share Hospital workgroup.

Community Behavioral Health

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Fund Additional Crisis Services	\$35.6	-	\$35.6
SFAC: Community Services Boards Workforce Development	-	15.0	15.0
Fund Psychiatric Emergency Rooms at Hospitals	10.0	-	10.0
Provide One-Time Funds for Mobile Crisis Units	10.0	-	10.0
Expand Alternative Transportation and Custody Program	9.4	-	9.4
Fund Crisis Co-Responder Programs	7.8	-	7.8
Fund Peer Wellness Stay Programs	6.7	-	6.7
SFAC: STEP-VA Services Inflation Adjustment	-	6.6	6.6
Increase Training for First Responders and Hospital Staff	5.2	-	5.2
SFAC: Staffing Support for Crisis Stabilization Units	-	5.0	5.0
SFAC: Prince William County Youth Crisis Receiving Center	-	4.5	4.5
Add 20 Psychiatric Residency Slots (DMAS)	2.0	-	2.0

Community Behavioral Health (con't)

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Expand Funding for Adolescent Substance Use Disorder Services	1.7	-	1.7
SFAC: Bridge Behavioral Health	-	0.6	0.6
Complete Redesign of Medicaid Behavioral Health Services (DMAS)	0.5	-	0.5
Fund Peer-to-Peer Mentoring Program	<u>0.4</u>	-	<u>0.4</u>
Total Community Behavioral Health	\$89.3	\$31.7	\$121.0

SFAC Language Amendments:

Increase Oversight of Recovery Residences

Community Services Board Compensation Reporting

Review of Community Services Board Performance Contracts

STEP-VA Report on Unmet Needs

STEP-VA Report on Benchmarks and Performance

Behavioral Health Facilities

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Salary Alignment for Clinical Roles	\$22.8	-	\$22.8
Salary Alignment for Food and Environmental Services Staff	17.0	-	17.0
Fund Temporary Kitchen at Eastern State	2.3	-	2.3
Fund Clinical Training Sites	1.4	-	1.4
Fund Grow Your Own Workforce Program	0.8	-	0.8
Enhance Training for Preadmission Screening Clinicians	0.3	-	0.3
Adjust Medicaid Appropriation for State Facilities (DMAS)	(5.2)	-	(5.2)
Reduce Funds for Maintenance of Central VA Training Center Grounds (SFAC Partial Restoration)	<u>(2.0)</u>	<u>1.0</u>	<u>(1.0)</u>
Total Behavioral Health Facilities	\$37.4	\$1.0	\$38.4

- SFAC amendments include language to evaluate alternative placements to state psychiatric facilities.

Other Dept. of Behavioral Health and Developmental Services

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Part C Early Intervention Services	\$5.0		\$5.0
SFAC: Transcranial Magnetic Stimulation Pilot (SB 636)	-	3.2	3.2
SFAC: State Rental Assistance Program	-	2.0	2.0
Fund Initiatives to Expand Mental Health Workforce	1.2	(1.2)	-
Expand Boost 200 to Pay for Costs of Supervisory Hours	1.2	-	1.2
Fund Youth Credentialing Database	2.0	(2.0)	-
SFAC: Provider Capacity for Developmental Disability Waivers	-	1.0	1.0
Add New Positions in Developmental Disabilities Division (8.0)	1.0	-	1.0
Reduce Funding for Local Inpatient Purchase of Service	(2.4)	-	(2.4)
Use Crisis Call Center Fund Balances to Support Crisis Efforts	(3.7)	-	(3.7)
Capture Underutilized Funds for Children's Inpatient Services	(1.6)	-	(1.6)
Appalachian Telemental Health / Technology Contract Savings	(1.4)	-	(1.4)

Department of Social Services

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Relative Maintenance Payment Program and Fund Supports for Kinship and Alternative Living Arrangements	\$15.9	-	\$15.9
Contract Costs for Income Verification for Public Benefits	12.0	-	12.0
Address TANF Block Grant Shortfall	10.2	-	10.2
Funding for Summer EBT Program for Children	5.4	-	5.4
Funding for Fatherhood Programs	4.0	(4.0)	-
Child Welfare Forecast	3.2	-	3.2
Funding for SNAP Overissuance Settlement Agreement	2.7	-	2.7
Transfer Housing Funding for Foster Care Youth from DHCD	1.2	-	1.2
Increase Funding for SNAP EBT Program Contract	1.3	-	1.3
SFAC: Training Academy for Social Services Employees	-	1.7	1.7

- SFAC amendments provide \$620,000 in TANF to the Lighthouse Community Center and \$1.1 million for a pilot project at Community Action Agencies.

Department of Social Services (cont'd)

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Support the Judge Swett Learning Center	\$1.0	-	\$1.0
Fund Advanced Contact to Medicaid Recipients at Renewal	0.1	(0.1)	-
Fund Adult Protective Services Hotline Capacity	0.5	-	0.5
SFAC: Driver's License Program for Foster Care Youth	-	0.5	0.5
Convert Part-time SNAP Evaluation Reviewers to Full-time	0.2	-	0.2
Background Checks for Local DSS Employees and Contractors	0.1	-	0.1
Savings from Reducing Prevention Services Funding	(10.0)	-	(10.0)
Fund TANF Benefits and VA Initiative for Education and Work Childcare Forecast	(3.6)	-	(3.6)
Savings from Rent Decrease	<u>(1.0)</u>	-	<u>(1.0)</u>
TOTAL (Excludes Base Adjustments)	\$43.2	\$1.9	\$45.1

- SFAC language requires replacement of the CommonHelp portal prior to replacing the Virginia Case Management System.

Department of Health

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Supplant TANF Block Grant with GF (Contraceptives for Low-Income Individuals, Families Forward, Resource Mothers)	\$10.8	-	\$10.8
Expand the Behavioral Health Loan Repayment Program	10.0	(3.0)	7.0
Continue Nursing Education Acceleration Program	8.0		8.0
Add State Matching Funds for Drinking Water Infrastructure	6.2		6.2
Add Funds to Improve Agency Financial Oversight	3.6		3.6
SFAC: Greene County Reservoir Project	-	3.0	3.0
Funding for Hampton Roads Proton Beam Therapy Institute	2.5		2.5
SFAC: Free Clinics and Community Health Centers	-	2.0	2.0
Expand Nursing Scholarships and Loan Repayment Programs	1.9		1.9
Establish Office of Grants Administration	1.2		1.2
SFAC: Prescription Drug Affordability Board (SB 274)	-	1.0	1.0

- Suspends the \$12.5 million transfer to the general fund from the Office of Emergency Medical Services.

Department of Health

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SFAC: Staffing for the Chief Medical Examiner	-	1.0	1.0
SFAC: Virginia Health Workforce Development Authority	-	1.0	1.0
SFAC: Healthier757 Health Literacy Initiative	-	1.0	1.0
SFAC: Adler Hospice	-	0.6	0.6
SFAC: Cost Analysis of EPA PFAS and Copper Rules	-	0.5	0.5
SFAC: Human Donor Milk Regulation (SB 499)	-	0.5	0.5
SFAC: Adult and Pediatric Sickle Cell Programs	-	0.4	0.4
SFAC: Local Health Department Rent Increases	-	0.3	0.3
SFAC: Forensic Examiner Training / RX Partnership / Southwest GME Consortium	-	0.4	0.4
Other VDH Actions (Matching Funds for Home Visiting Services, Amyotrophic Lateral Sclerosis Association, Special Olympics, Additional Staff for Healthcare Workforce Incentive Program)	<u>2.4</u>	<u>(0.8)</u>	<u>1.6</u>
TOTAL (Excludes Base Adjustments)	\$46.5	\$7.9	\$54.4

Department of Health Language and NGF Items

- **Enhance Financial Controls: SFAC amendments** require the agency to conduct a comprehensive review of all programs and address any deficiencies. It also includes regular reporting to better track spending.
- **Inventory and Review of Agency Fees: SFAC amendments** direct an inventory be developed of all agency fees and to determine their sufficiency in meeting program costs.
- **Support for Medflight Operations: SFAC amendments** require Richmond area hospitals that receive patients through State police med-flight operations to support the med-flight paramedics through their Trauma Center Fund allocations.
- **Naloxone Provisions: SFAC amendments** provide \$8.0 million a year from Opioid Settlement funds to encourage more local production of Naloxone and designate \$2.0 million from existing funds to purchase eight milligram doses.

Other HHR Agencies

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
<u>Secretary of Health and Human Resources</u>			
Additional Position	\$0.3	(\$0.3)	-
SFAC: Reports on Crisis Funding, BH Clinic Model , & Call Centers	-	-	-
<u>Children's Services Act</u>			
Fund the Children's Services Act Forecast	\$97.0	-	\$97.0
Fund Supports for Kinship Alternative Living Arrangements	2.4	-	2.4
<u>Aging and Rehabilitative Services</u>			
State Support for Centers for Independent Living Salaries	\$0.1	-	\$0.1
SFAC: Brain Injury, CILs, Council for Aging, Guardianship Training	-	3.3	3.3
<u>Opioid Abatement Authority</u>			
Base Appropriation for Opioid Abatement Authority (NGF)	\$142.2	-	\$142.2
SFAC: Set Out Administrative Budget & Guidance on Agency Grants			

Public Safety and Veterans

Overview of Public Safety in SB 30

- For Public Safety & Homeland Security agencies, SFAC amendments provide a net increase of \$16.4 million GF over the biennium, in addition to the \$1.9 million GF net increase proposed in the introduced budget.
- Significant SFAC amendments over the biennium include:
 - \$20.0 million GF for the Aid to Localities with Police Departments (“599”) Program, designated for communities with high violent crime rates;
 - \$13.0 million GF for targeted grants to reduce community violence; and
 - \$12.0 million GF for victim service agency grants.
- Significant combined introduced and Senate actions over the biennium include:
 - \$41.3 million GF to transition Lawrenceville Correctional Center from private to state management;
 - \$10.0 million GF to establish a law enforcement officer recruitment and wellness program;
 - \$9.3 million GF to establish a Department of Corrections career progression program for correctional officers; and
 - Savings of \$119.7 million GF to recognize the closures of four Department of Corrections facilities.

Department of Corrections: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Transition Lawrenceville to State Management (+\$5.2M in SB 29)	\$42.9	(1.6)	\$41.3
Career Progression Program	19.0	(9.6)	9.3
Operational Funding (Food, Utilities, etc.)	8.0	-	8.0
Salary Increases for Vacant Positions	5.8	(5.8)	-
Full-Body Scanners	4.1	-	4.1
Emergency Medical Services Sussex County	1.0	(1.0)	-
Corrections Special Reserve Fund ("Woodrums")	0.4	0.8	1.2
State Share Franklin County Jail Renovation	<0.1	-	<0.1
Savings from Four Facility Closures	(118.6)	(1.1)	(119.7)
Reduce Operating Budget	(2.0)	2.0	-
Removing Funding for DMV Connect Program	(0.4)	0.4	-
Career Pipeline Pilot Program	-	1.0	1.0
Air Conditioning DOC Facility	-	7.7	7.7
Adjust Certain Base Budget Items to Account for Current Workload	-	(14.6)	(14.6)
Adopted Legislation (SB 427, 696, 719)	-	6.8	6.8
Total	(\$39.8)	(\$15.0)	(\$54.8)

Department of Criminal Justice Services: Summary of Proposed Amendments

DCJS GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Law Enforcement Recruitment and Wellness Program	\$18.0	(\$8.0)	\$10.0
Victim Services Agencies	10.7	12.0	22.7
Increase Grants to Combat Hate Crimes (SFAC lang change)	2.0	-	2.0
Replace Credentialing Management System	0.5	-	0.5
Remove Funding for Vacant Position	(0.2)	-	(0.2)
Safer Communities Program (add Roanoke, VCU research)	-	7.0	7.0
Aid to Localities with Police Depts. (599) High-Crime Areas	-	20.0	20.0
At-Risk Youth Development Programs	-	6.0	6.0
Expand Pretrial Services to Additional Localities	-	0.4	0.4
Adopted Legislation (SB 88, 522, 547)	=	<u>0.9</u>	<u>0.9</u>
Total	\$31.0	\$38.3	\$69.3
NGF: Jail-Based Opioid Use Reduction Treatment Program	\$0.5*	\$1.0 NGF	\$1.5 NGF

*Introduced budget proposed this funding at the Compensation Board, Senate Budget transfers to DCJS.

- SB 29: SFAC amendment added \$5.1M NGF in SB 29 for a federal crisis intervention grant.

Virginia State Police: Summary Proposed Amendments

VSP GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Sworn Officer Pay Step Increase	\$6.0	(\$3.0)	\$3.0
Replace Three Airplanes	3.3	-	3.3
11 Positions (Fusion Center/Campus Safety, Background Checks)	2.0	(0.6)	1.4
Med-Flight Personnel Chesterfield County*	0.8	(0.8)	-
Funding No Longer Needed (Retired Debt Service, Position)	(1.4)	-	(1.4)
Body-Worn Cameras	-	6.2	6.2
Aviation Division Pilots (Two)	-	0.6	0.6
Adopted Legislation (SB 300, 504)	-	0.6	0.6
Technical: VSP Base Budget Fix	-	(0.2)	(0.1)
Total	\$10.6	\$2.8	\$13.5
NGF: VA Criminal Information Network Upgrade (VCIN)	\$2.0 NGF	-	\$2.0 NGF

*Companion amendment under Health and Human Resources allocates NGF from the Trauma Center Fund for this purpose to the extent participating hospital contributions are insufficient to cover med-flight personnel.

Other Public Safety Agency Agencies: Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Dept. of Emergency Management Warehouse	\$2.2	(\$0.5)	\$1.7
Emergency Communications Equipment	-	0.1	0.1
Dept. of Forensic Science (DFS) Operations	1.6	-	1.6
DFS Impaired Driving Data	-	0.4	0.4
Technical: DFS Base Budget Fix	-	(0.3)	(0.3)
State Fire Marshal Operations <small>(total does not sum due to rounding)</small>	0.9	(0.4)	0.4
Comm. Atty. Services Council Software	<0.1	-	<0.1
Cannabis Control Authority <small>(SFAC moves to independent agencies; adjusts GF & NGF for legislation; +\$4M for loans)</small>	(2.0)	(2.3)	(4.3)
Dept. of Juvenile Justice Operating Budget	(1.5)	-	(1.5)
Secretary: Completed Study <small>(plus (\$0.5M) in SB 29)</small>	<u>(1.0)</u>	-	<u>(1.0)</u>
Total	\$0.1	(\$3.0)	(\$2.9)
NGF: ABC Four New Stores and Cost of Goods Sold	\$51.2 NGF	-	\$51.2 NGF
NGF: SFAC moves ABC to Independent Agencies	-	NGF	NGF

Veterans and Defense Affairs: Summary of Proposed Amendments

- For Veterans and Defense Affairs agencies, combined introduced budget and SFAC amendment actions provide an increase of \$18.7 million GF over the biennium.

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Veterans Care Centers Start-Up Operations	\$30.5	(\$14.0)	\$16.5
Veterans Virtual Service Center & Self-Service Portal	1.6	(0.7)	0.9
Dept. of Military Affairs (DMA) Cash Management System	1.2	-	1.2
Military Women's Memorial	0.5	(0.5)	-
Partnership for Petersburg Office	0.8	(0.8)	-
New Software Systems	<u>0.2</u>	<u>(0.1)</u>	<u>0.1</u>
Total	\$34.8	(\$16.1)	\$18.7
NGF: Veterans Care Center Operations	\$6.0 NGF	-	\$6.0 NGF

- SB 29: Introduced budget included \$0.3M for DMA legal costs; SFAC amendment removes the funding.

Commerce & Trade – Economic Development

Overview of SFAC Commerce and Trade Amendments to SB 30

- The SFAC amendments propose a net decrease totaling \$169.2 million GF over the biennium. Major GF spending amendments include:
 - \$29.8 million GF over the biennium for the Virginia Telecommunications Initiative;
 - \$36.0 million GF for biotechnology manufacturing research at the University of Virginia;
 - \$4.0 million for the Community Development Financial Institutions Fund;
 - \$4.0 million for the Rehabilitation of Derelict Structures Fund;
 - \$716,106 for Fort Monroe utility commodity costs; and
 - \$2.0 million GF for the Southwest Regional Recreation Authority.
- GF resources are redirected to other budget priorities through:
 - \$95.5 million GF reduction in support for Business Ready Sites grants;
 - \$24.0 million GF reduction in funding for the Business Ready Site Acquisition Fund;
 - \$64.0 million GF reduction in support for the biotech., pharm., manufacturing network; and
 - \$25.0 million GF redirected from Early Learner Capital Incentives.

Commerce and Trade: Summary of Proposed Amendments

GF Actions for 2022-24 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
EDIP: Business Ready Sites Program Fund	\$95.5	(\$95.5)	-
EDIP: Business Ready Sites Acquisition Program	25.0	(25.0)	-
EDIP: Develop Inland Port	10.0	-	10.0
DHCD: Capacity for Continuum of Care Agencies	-	2.7	2.7
DHCD: Virginia Telecommunications Initiative	(79.4)	29.7	(49.7)
DHCD: Establish Early Learning Capital Incentive Program	25.0	(25.0)	-
DHCD: Invest in Industrial Revitalization Fund	4.0	4.0	8.0
DHCD: Community Development Financial Institutions Fund	0.3	4.0	4.3
ENGR: Resources for Virginia Power Innovation Fund	6.0	(6.0)	-
FMA: Fund Utility Commodity Cost Increases	-	0.7	0.7
FMA: Address Costs of Public Works Contract	0.7	-	0.7
VEDP: Launch Innovative Framework	4.0	(2.0)	2.0
VEDP: Increase Capacity for Va. Office of Education Economics	2.6	(1.5)	1.1
VEDP: Provide for Business Ready Sites Administration	1.5	(0.5)	1.0
VTA: Increase Funding for Spearhead Trails	0.8	2.0	2.8
VTA: Funding for Carter Family Fold	0.3	-	0.3
VIPA: Fund Va. Biotech, Life Sciences, and Pharm. Man. Network	100.0	(64.0)	36.0
DHCD: Broadband, Equity, and Deployment Program			Language
VEDP: Clarify Audit Requirements			Language

Labor

Labor: Summary of Proposed Amendments

Actions for 2022-24 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Secretary: Secretarial Office Staffing (1.0 FTE)	\$0.2	(\$0.2)	\$0.0
DOLI: Transfer funding and positions to DWDA	(2.0)	-	(2.0)
DPOR: Funding for Mission Critical and Legacy Systems (NGF)	8.2	-	8.2
DWDA: Establish Department (GF and NGF, 459 FTE)	260.6	-	260.6
DWDA: Start-Up Costs for New Department	3.2	-	3.2
DWDA: Healthcare Workforce Training System	1.0	(1.0)	0.0
DWDA: New Registered Apprenticeship Grants	4.0	(4.0)	0.0
VEC: Transfer Funds and Positions to DWDA (NGF)	(189.0)	-	(189.0)
VEC: Unemployment Compensation (SB 536)	-	0.7	0.7
VEC: Paid Family and Medical Leave (SB 373)			Language
VEC: Fee to Support Administration			Language

Agriculture & Forestry

Agriculture & Forestry: Summary of Proposed Amendments

Actions for 2022-24 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
VDACS: Agricultural Technology Research Projects	\$2.0	(\$2.0)	\$0.0
VDACS: AFID Funding	2.0	-	2.0
VDACS: Support for Inspected Slaughter	0.3	-	0.3
VDACS: Dairy Margin Coverage Premium Assistance Fund	-	0.5	0.5
VDACS: Blue Catfish Processing, Flash Freezing, and Infrastructure	-	0.3	0.3
VDACS: Cannabis and Hemp Enforcement	-	0.6	0.6
DOF: Forest Sustainability Fund	-	5.0	5.0
DOF: Remove Derelict Fire Towers	1.4	(0.4)	1.0
DOF: Policy Analyst Position	-	0.4	0.4
VDACS and DOF: Transfer Office of Farmland Preservation (SB 616)	-	-	Net Zero

Natural Resources

Overview of SFAC Amendments to Natural Resources in SB 30

- Recommends net decreases of \$98.5 million GF over the biennium. Major GF spending amendments include:
 - Maintains \$138.1 million GF and \$63.0 million NGF for a deposit to the Water Quality Improvement Fund;
 - Maintains \$100.0 million GF for the Virginia Community Flood Preparedness Fund;
 - Provides \$25.0 million GF in FY 2025 to support the Norfolk Coastal Storm Risk Management Plan;
 - Maintains \$50.0 million GF in FY 2025 for the Richmond Combined Sewer Overflow Project;
 - Provides \$18.0 million GF in FY 2025 to fund Bristol Landfill Remediation;
 - Increases staff support for priority agriculture BMPs by \$920,000 GF; and
 - Provides a total of \$2.4 million GF to fund new water initiatives, including PFAS monitoring, groundwater technical capacity and study, wetlands mitigation trading platform, and feasibility analysis of the SWIFT model.

Natural Resources: Summary of Proposed Amendments

Actions for 2022-24 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SNR: Cap the amount of WQIF Reserve	Cap deposit	Remove cap	Language
DCR: WQIF Ag Cost Share and Nonpoint Source Programs (GF and NGF)	\$201.0	-	\$201.0
DCR: Norfolk Coastal Storm Risk Management Project	73.8	(48.8)	25.0
DCR: Virginia Community Flood Preparedness Fund	100.0	-	100.0
DCR: Resilient Virginia Revolving Loan Fund	25.0	-	25.0
DCR: Dam Safety, Flood Prevention and Flood Protection Fund	5.0	-	5.0
DCR: Fund Priority Agriculture BMP Support Positions	-	0.9	0.9
DEQ: Supplement Richmond CSO Funding	50.0	-	50.0
DEQ: Support Bristol Landfill Remediation	35.0	(17.0)	18.0
DEQ: Enhance Chesapeake Bay Monitoring	8.5	(8.5)	0.0
DEQ: Provide Support for Wetlands Mitigation Trading Platform	-	1.3	1.3
DEQ: PFAS Identification and Monitoring (SB 243)	-	0.8	0.8
DEQ: Feasibility and Cost Analysis of SWIFT Model	-	0.4	0.4
DHR: Create Capital Grant Program for 250 th Anniversary	35.0	(35.0)	0.0
VMRC: Reduce Oyster Restoration Annual Support	(1.0)	1.0	0.0

Nonstate Agency Grants: Summary of SFAC Amendments

SFAC Amendments	GF, \$ in millions
Poplar Forest Stabilization and Restoration	\$0.9
Stratford Hall Preservation and Expanded Interpretation	0.5
Menokin Preservation and Restoration	0.5
Virginia Museum of Transportation	0.3
James Solomon Russell Saint Paul's College Museum and Archives	0.1
Preservation American Jamestown Rediscovery Foundation	1.5

Transportation

Overview of SFAC Amendments to Transportation in SB 30

- Recommends net increases of \$72.9 million GF over the biennium. GF spending amendments include:
 - \$92.0 million GF to establish a toll relief fund;
 - \$200.0 million GF deposit to the Transportation Partnership Opportunity Fund (TPOF) eliminated;
 - \$0.4 million GF to implement enacted sealing and expungement legislation; and
 - \$0.3 million GF for a study of Somerset Crossing (SJR 19 (2024)).
- Language allowing increased funding for WMATA in excess of the maximum 3.0 percent cap on increases.
 - Includes a corrective action plan and outlines requirements of the plan to address cost reduction and other strategies.
- SB 29 SFAC Amendments:
 - \$7.5 million for municipal dredging grant program.

General Government

Overview of SB 29 (Caboose Bill) – General Government

- Proposed amendments in SB 29, as Introduced, for the current year total a reduction of \$35.5 million GF and an increase of \$8.4 million NGF.
- SFAC adds \$546,540 GF for Bank Franchise Tax modernization.
- SB 29 reallocates \$39.0 million in previously allocated American Rescue Plan Act funds to the childcare subsidy program.
- SFAC reallocates \$2.8 million in American Rescue Plan Act funds to the Department of Elections to make grants to localities.

GF Actions for FY 2024 (\$ in millions)	FY 2024
Recognize Debt Service Savings	(\$21.5)
Projected Savings from Jail Inmate Per Diems	(15.0)
Savings from Jail Closures	(2.2)
Appropriation for Higher Education Credit Card Rebates and Interest Earnings	3.2
SFAC: Bank Franchise Tax Modernization	<u>0.5</u>
Total SB 29 GF Actions for General Government	(\$35.0)

Overview of General Government in SB 30

- The introduced budget proposes net increases totaling \$492.4 million GF over the biennium for the Secretariats under the purview of the General Government Subcommittee.
- **SFAC amendments provide an additional net \$372.9 million GF.**
- Major GF spending and savings amendments over the biennium include:
 - \$421.6 million GF for state and state-supported local salary increases;
 - \$106.3 million GF for state agency health insurance premiums;
 - \$83.7 million GF for debt service costs;
 - \$52.0 million GF for the Commonwealth Health Reinsurance Program;
 - \$20.0 million GF to support the American Revolution 250 Commission; and
 - Savings of \$70.8 million GF in Compensation Board reimbursements to align with projected trends in the jail inmate population and vacancy levels in constitutional officers' offices.

Employee Compensation in SB 30, as Amended

- SFAC amendments to SB 30, as Introduced, include a total of \$601.5 million GF over the biennium in across the board and targeted compensation actions for state and state-supported employees and teachers.

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Salary Increase for Teachers and Support Staff (SFAC: 3% in Each Year)	\$122.7	\$402.0	\$524.7
State and State-Supported Salary Increase (SFAC: 2.5% in Each Year)	59.6	361.9	421.5
State and State-Supported Local Bonuses (1% Each Year)	109.0	(109.0)	-
Teachers and Support Staff (1% Bonus in Second Year)	53.0	(53.0)	-
DBHDS State Facilities – Clinical, Housekeeping, and Food Services	39.8	-	39.8
VSP, MRC, DWR, School for the Deaf and the Blind, DOC	31.4	(3.0)	28.4
SFAC: Capitol Police, Department of Accounts	-	<u>2.6</u>	<u>2.6</u>
Total	\$415.5	\$601.5	\$1,017.0

Legislative: Summary of SFAC Amendments

SFAC GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
GA – Allow 2nd Legislative Aide to be Full-time with Benefits	-	3.6	3.6
Capitol Police - Compensation Plan	-	1.2	1.2
GA – Senate Operations	-	0.6	0.6
GA – Mass Transit Study	-	0.6	0.6
Crime Commission – New Position	-	0.3	0.3
Behavioral Health Commission – New Position	-	0.2	0.2
Commission on Youth – Special Ed. Dispute Resolution Study	-	0.1	0.1
Commission on Electric Utility Regulation – New Position	-	0.1	0.1
GA – New Commission / Council Costs	-	0.1	0.1
Chesapeake Bay Commission – Operational Costs	-	>0.1	>0.1
Intergovernmental Dues	-	>0.1	>0.1
Total Legislative Department	-	\$6.8	\$6.8

Judicial: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
Supreme Court Enterprise Resource Planning System	\$3.5	-	\$3.5
14.0 Court of Appeals Positions (SFAC adds study)	2.8	-	2.8
State Funding for Specialty Dockets	2.3	(0.8)	1.5
Substitute Judge Per Diem Increase	-	2.0	2.0
Sealing Fee Fund	-	0.2	0.2
Jail Diversion Study	-	<0.1	<0.1
Adopted Legislation (SB 356 re: court-appointed counsel; SB 710 re: judges)	-	9.1	9.1
Total GF	\$8.6	\$10.6	\$19.2
Indigent Defense Comm. – NGF Appropriation Adjustments (opioid abatement grants; local supplements)	\$4.2 NGF	-	\$4.2 NGF
Lang: Sentencing Commission Access to Court Data	-	Lang.	Lang.

Executive Offices: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
GOV – Permitting Enhancement and Evaluation Platform	\$4.6	(\$4.6)	-
OAG – Increase Consumer Protection Staffing (6 FTEs)	1.4	-	1.4
OSIG – SFAC: DOC Ombudsman	-	1.4	1.4
OAG – Additional IT Positions (5 FTEs)	1.3	-	1.3
OAG – SFAC: Additional Positions Due to Legislation	-	1.2	1.2
OAG – Increase Rate Payer Protection Staff (2 FTEs)	0.6	(0.6)	-
GOV – Fund Five Artificial Intelligence Pilots	0.6	(0.6)	-
GOV – Support for the Children’s Ombudsman (1 FTE)	0.4	-	0.4
SOC – Increase Notary and Restoration of Rights Staff (2 FTEs)	0.4	(0.4)	-
GOV – Move Diversity, Equity, and Inclusion Funding	Language	Reverse	Language
OAG - Authorize Fee Collection from Local SWCDs	Language	Reverse	Language
Total Executive Offices	\$9.3	(\$3.6)	\$5.7

Administration: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend.	Total
Compensation Board			
Behavioral Health and Medical Treatment Positions in Jails	\$2.6	-	\$2.6
Adjust Const. Office Salaries Based on Population	0.4	-	0.4
Savings from Jail Closures (Bristol City & Hampton Roads Regional)	(31.4)	-	(31.4)
Jail Per Diem Appropriation Adjustment	(30.0)	-	(30.0)
Savings from Vacant Positions in Const. Officer's Offices (reserve fund)	(9.4)	-	(9.4)
Savings from Unlaunched Pilot Program	(0.2)	-	(0.2)
Statewide Automated Victim Notification System Increased Costs	-	0.4	0.4
Commonwealth's Attorneys' Office Positions	-	4.7	4.7
Circuit Court Clerk Workload Study	-	0.4	0.4
Sub-Total (Compensation Board)	(\$68.1)	\$5.4	(\$62.7)
NGF: Jail-Based Substance Use Disorder Treatment Program	\$0.5M	Transfer to DCJS	-

Administration: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
DGS: Enhance Capital Asset Management Capabilities	\$0.5	(\$0.5)	-
DGS: Supplant GF Position Costs with NGF Support	(4.0)	-	(4.0)
ELECT: Additional Positions for List Maintenance (1 FTE)	0.3	-	0.3
ELECT: SFAC – Positions Related to Legislation	-	0.1	0.1
ELECT: SFAC – Referendum Costs	-	0.2	0.2
SEC: Staff for Div. of Executive Administrative Services (1 FTE)	0.4	-	0.4
DHRM: Software for Statewide Performance Evaluation Process	0.5	-	0.5
DHRM: Pageup Recruitment Management System Fee	(0.2)	-	(0.2)
Total Administration (Excludes Comp. Board)	(\$2.5)	(\$0.2)	(\$2.7)

- SFAC amendments move the Department of General Services to Independent Agencies.

Finance: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
TB: Adjust Funding for Debt Service Payments	\$83.7	-	\$83.7
TB: SFAC – Water Infrastructure Debt Defeasance (Craigsville)	-	3.8	3.8
TAX: SFAC – Tax Compliance Positions	-	3.0	3.0
TAX: Bank Franchise Tax Modernization	-	0.6	0.6
DOA: Reduce Agency Operational Budget (SFAC: Compensation)	(1.8)	1.4	(0.4)
DPB: Reduce Agency Operational Budget (SFAC: Add FTE)	(0.2)	0.2	-
TAX: Mandate Online Registration for New Businesses	(>0.0)	-	(>0.0)
TRS: New Fee and Recover Indirect Costs from VSAP	(0.2)	-	(0.2)
Total – Department of Finance	\$81.5	\$9.0	\$90.5

Central Appropriations: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
State and State-Supported Salary Increases	\$168.6	\$253.0	\$421.6
Funding to Improve State Agency IT Infrastructure	150.0	(150.0)	-
Adjust Agency Health Insurance Premium Costs	106.3	-	106.3
Funding to Support American Revolution 250 Commission	20.0	Move to Legislative	20.0
Funding for a Workforce Recruitment Program	15.0	(15.0)	-
Higher Education Rebates and Interest	6.4	-	6.4
Adjust Agency Information Technology Costs	5.9	-	5.9
Adjust Funding for Minimum Wage Costs	4.3	79.5	83.8
Line of Duty Act Premium Increase	3.4	0.3	3.7
Adjust Funding for State Workers' Compensation Premiums	3.2	-	3.2

Central Appropriations: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SFAC: Judicial Retirement System Changes (SB 396)	-	1.5	1.5
Adjust Funding for State Agency Rent Costs	\$1.3	-	\$1.3
Funding to Aid in Potential Sports Team Relocations	0.5	(0.5)	-
Transfer Funding for Workforce Development Training	(34.0)	-	(34.0)
Adjust for State Employee Retirement Costs	(15.2)	-	(15.2)
Cardinal Financials System ISF Charges	(5.8)	-	(5.8)
Adjust Funding for Other Post-Employment Benefit Programs	(5.5)	-	(5.5)
Cardinal Human Capital Management System ISF Charges	(4.5)	-	(4.5)
Agency Worker's Compensation Premium Changes	(3.2)	-	(3.2)
Adjust Funding for Changes in DRM Premiums	(0.8)	-	(0.8)
Savings from Reduced Fleet Vehicle / Lease Rates	(0.8)	-	(0.8)
Adjust Funding for Performance Budgeting System Changes	0.0	-	0.0

Central Appropriations: Summary of Proposed Amendments

GF Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SFAC: Medicaid Contingency for Higher Enrollment	-	\$150.0	\$150.0
SFAC: Clean Energy Innovation Bank	-	20.0	20.0
Reversion of ARPA Funding to Childcare Subsidy Program	Language	Language	Language
Total GF Central Appropriations	\$412.0	\$318.8	\$730.8
Reduce Tobacco Region Revitalization Commission Funding (NGF)	(\$30.0)	(\$30.0)	(\$60.0)
Higher Education Rebates and Interest (NGF)	8.6	8.6	17.3
Increase Appropriation for Tobacco Settlement Fund (NGF)	\$0.7	\$0.7	\$1.4

Independent Agencies: Summary of Proposed Amendments

Actions for 2024-26 Biennium (\$ in millions)	SB 30	SFAC Amend	Total
SCC: Health Reinsurance Program (GF)	\$52.0	-	\$52.0
NGF Actions:			
SCC: Health Reinsurance Program	\$686.0	-	\$686.0
SCC: Health Benefit Exchange	47.4	-	47.4
SCC: Address Workload Increase	12.0	-	12.0
LOTTERY: Base Appropriation for Locality Casino Payments	100.0	-	100.0
VA 529: Customer Service, IT, and Risk Management	9.9	-	9.9
VRS: Customer Service, Service Delivery, IT, and Internships	17.6	0.2	17.8
VRS: Support for Investment Department	5.8	-	5.8
VRS: Facility Repairs and Space Modifications	3.4	-	3.4

- **SFAC amendments** move the ABC Authority, Cannabis Control Authority, and Dept. Of General Services to Independent Agencies.

Capital Outlay

SB 30 Capital Outlay Program

Includes \$1.5 billion in GF cash and \$245.4 million in GF tax-supported debt.

SB 30 Capital Outlay Funding by Fund Type

(\$ in millions)	SB 30	SFAC Amend.	Total
General Fund	\$916.6	\$580.1	\$1,496.7
VPBA / VCBA GF Tax-Supported Bonds	334.9	(89.5)	245.4
9(c) Revenue Bonds	124.3	-	124.3
9(d) Revenue Bonds	9.3	-	9.3
Nongeneral Fund Cash	<u>749.9</u>	<u>(15.4)</u>	<u>734.6</u>
Total	\$2,135.0	\$475.3	\$2,610.3

SB 29 includes: \$1.4 million supplement for Clermont Barn replacement, reverts \$5.0 million GF for unused Dredging Projects at the Virginia Port Authority, adds \$740,000 NGF for Department of Forestry land acquisition, and converts a VSU project from a pool project to a standalone project.

Capital Program Focuses on Limiting Tax Supported Debt, Existing Commitments, and Maintenance Reserve

Capital Outlay Funding by Project Type (\$ in millions)					
Major Category	GF Cash	GF Debt	NGF Cash	NGF Debt	Total
Supplements	\$250.0	\$50.0	\$0.0	\$0.0	\$300.0
Maintenance Reserve	499.0	0.0	0.0	0.0	499.0
Deferred Maintenance	50.0	16.0	14.0	0.0	80.0
Improvements	39.6	179.4	633.1	38.1	890.2
New Construction	527.9	0.0	0.0	95.5	623.4
Acquisition	0.0	0.0	13.0	0.0	13.0
Planning	20.6	0.0	74.5	0.0	95.1
Equipment	109.6	0.0	0.0	0.0	109.6
Total	\$1,496.7	\$245.4	\$734.6	\$133.6	\$2,610.3

- \$300.0 million GF and GF debt to supplement previously authorized projects for cost overruns;
- \$499.0 million GF for Maintenance Reserve allocations in both years (\$95.0 million increase over the introduced budget);
- \$219.0 million GF and GF debt for improvements and renovations at existing facilities;
- \$81.3 million GF for equipment for capital projects coming online within the next 18 months;
- \$22.2 million GF for Tech Talent Investment Program (Amazon HQ2) equipment;
- \$66.0 million GF and GF debt for deferred maintenance type projects; and
- New construction focuses on programmatically needed projects and replacements of critical facilities and funded with GF cash.

SB 30 Maintenance Reserve, Supplements, Equipment Pool, and Stand-Alone Improvements or Renovations

Maintenance Reserve

- Funded across both fiscal years.
- Increases program by \$65.0 million in FY 2025 and \$30.0 million in FY 2026.

Supplements

- Maintains \$250.0 million GF.
- Maintains \$50.0 million tax-supported debt for State Police Training Academy and requires a plan before additional allotment of funds.

Equipment

- Includes \$87.4 million for equipment pool and adds CNU Integrated Science Center.
- Maintains \$22.2 million GF for Tech Talent Investment Program equipment.

Stand Alone Improvement and Renovations Projects (\$ in millions)		
Project Title	GF Cash	GF Debt
FMA (DGS Managed): Renovate & Repair Fort Monroe	\$50.0	\$0.0
DBHDS: Improve Safety & Security at Eastern State Hospital	0.0	24.3
NSU: Improve Campus Infrastructure	0.0	14.1
<i>VSU: Renovate Summerseat for Urban Agriculture Center</i>	<i>12.7</i>	<i>0.0</i>
VSU: Improve South Entrance & Campus Security	0.0	12.0
<i>Gunston Hall: East Yard Project</i>	<i>2.5</i>	<i>0.0</i>
<i>Gunston Hall: Construct Archaeology Center & Maintenance Facility</i>	<i>5.0</i>	<i>0.0</i>
<i>JYF: Renovate Susan Constant</i>	<i>4.7</i>	<i>0.0</i>
DCR: Replace Underground Storage Tanks - Phase I	0.0	3.0
<i>DCR: Natural Tunnel State Park Renovations</i>	<i>4.0</i>	<i>0.0</i>
<i>DCR: Widewater State Park Phase II Improvements</i>	<i>10.0</i>	<i>0.0</i>
DMA: Improve Readiness Centers	0.0	3.0
DCR: Address Climate Control in State Park Yurts	<u>0.0</u>	<u>1.6</u>

GF Debt = VCBA / VPBA 9(d) tax-supported bond

SB 30 Proposed Capital Construction Pools

2024 State Agency Capital Pool

Agency	Project
Jamestown-Yorktown Foundation	Replace Walkways and Improve Lighting
Jamestown-Yorktown Foundation	Replace Roofs at Jamestown Settlement and Emerson Central Support Complex
Department of Behavioral Health and Developmental Services	Address heating and hot water requirements at Hiram Davis Medical Center and Central State Hospital building 94
Department of Juvenile Justice	Renovate Bon Air Juvenile Correctional Center and Oak Ridge Juvenile Correctional Facility
<i>Department of General Services</i>	<i>Construct New State Office Building & Defer Monroe Tenant Relocation</i>
Total	\$350.9 million
GF Cash	<i>\$308.0 million</i>
VPBA Tax-Supported	\$42.9 million

2024 Higher Education Capital Pool

Agency	Project
William and Mary	Renovate Historic Campus (18678)
Virginia Military Institute	Replace Windows in Old and New Barracks (18604)
Longwood University	Replace Steam Distribution Systems To Four Campus Buildings
James Madison University	Improve East Campus Infrastructure Phase 3 (18738)
Richard Bland College	Replace HVAC System for Statesman Hall
Christopher Newport University	Replace Integrated Science Center Fume Hoods and Pressurization Valves and Controls
<i>Christopher Newport University</i>	<i>Replace Plant Operations and Warehouse Building</i>
<i>Norfolk State University</i>	<i>Renovate/Replace Fine Arts Building</i>
<i>Virginia State University</i>	<i>Waterproof Campus Buildings</i>
Total	\$294.9 million
GF Cash	<i>\$214.9 million</i>
VCBA Tax-Supported	\$70.5 million
NGF	\$0.2 million
9(d) revenue bonds	\$9.3 million

Planning Pool and Stand-Alone Planning

Central Capital Planning Pool		
Agency	Project	Planning Stage
Department of General Services	Renovate Library Building	Schematic Design
University of Virginia - Wise	Renovate Darden Hall	Planning
James Madison University	Renovate Johnston Hall	Planning
Virginia Institute of Marine Sciences	Construct Marine Operations Administration Complex	Planning
Virginia State University	Renovate Virginia Hall	Planning
Gunston Hall	Construct New Visitor Center	Preplanning
Science Museum	Refurbishment and Re-Allocation of Interior Space	Preplanning
George Mason University	Interdisciplinary Science and Engineering Building	Preplanning
Virginia Community College System	Workforce Trades and Innovation Center, Paul D Camp CC	Preplanning
Virginia Community College System	Replace Buchanan and Tazewell Halls, Southwest Virginia CC	Preplanning
	Total	\$10.5 million
	GF	\$7.6 million
	NGF	\$2.9 million

Stand Alone Planning			
Agency	Project	GF	NGF
James Madison University	Construct Health and Behavioral Studies Expansion	\$3.9	3.9
Old Dominion University	Construct Engineering & Arts Building Planning	9.0	3.0
University of Virginia	Construct Center for the Arts		15.3
Virginia Military Institute	Construct Moody Hall	Lang.	
Department of General Services	Commonwealth Court Building	Lang.	