

The Senate Finance  
& Appropriations  
Committee's

# Summary of the Governor's Proposed Amendments to the 2024-26 Budget

Introduced as SB 800

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January 8, 2025

# Introduction

This document was prepared by the staff of the Senate Finance & Appropriations Committee as a summary of the Governor's proposed amendments to the budget for the 2024-26 biennium, introduced as SB 800 during the 2025 Session.

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# Overview of the Proposed Amendments to the 2024-26 Budget

Proposed amendments to the 2024-26 biennial budget reflect adjustments to both resources and spending as compared to Chapter 2, 2024 Acts of Assembly, Special Session I. Adjustments to net resources over the biennium provide \$4.7 billion in additional resources for appropriation, including \$3.3 billion from economic forecast adjustments, a net reduction of \$60.2 million from proposed tax policy actions, \$1.5 billion from balances, a proposed \$203.0 million transfer from the Revenue Reserve Fund, and a net \$150.1 million reduction in transfers. The proposed amendments include operating spending adjustments of \$3.4 billion GF and capital spending adjustments of \$1.4 billion GF. The introduced budget would leave an unappropriated balance of \$14.8 million over the biennium, compared to the \$17.6 million unappropriated balance assumed in Chapter 2.

<b>General Fund Resources Available for Appropriation (\$ in millions)</b>			
	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
<b>Chapter 2 GF Revenue and Transfers</b>	<b>\$32,728.4</b>	<b>\$31,989.8</b>	<b>\$64,718.2</b>
Economic GF Forecast Adjustments	2,099.1	1,176.8	3,275.9
Net Assumed Tax Policy Actions	(14.4)	(45.8)	(60.2)
Adjustments to Balance	1,463.1	0.0	1,463.1
Transfer: Revenue Reserve Fund	203.0	0.0	203.0
Transfer Adjustments	<u>23.6</u>	<u>(173.7)</u>	<u>(150.1)</u>
<b>Total GF Resources Available for Appropriation</b>	<b>\$36,502.8</b>	<b>\$32,947.1</b>	<b>\$69,449.9</b>
<b>Chapter 2 Spending</b>	<b>\$32,476.4</b>	<b>\$32,224.2</b>	<b>\$64,700.6</b>
Operating Spending	2,652.2	715.2	3,367.4
Capital Outlay Spending	<u>1,367.2</u>	<u>0.0</u>	<u>1,367.2</u>
<b>Total Appropriations</b>	<b>\$36,495.8</b>	<b>\$32,939.4</b>	<b>\$69,435.2</b>
<b>Unappropriated Balance</b>	<b>\$7.1</b>	<b>\$7.7</b>	<b>\$14.8</b>

**Revenue.** The introduced budget includes \$69.5 billion in general fund resources available for the 2024-26 biennium. Based on the fall revenue forecasting inputs, the Governor's proposed base forecast increases general fund revenues, excluding transfers, by \$2.1 billion in FY 2025 and \$1.2 billion in FY 2026, representing an increase of 4.1 percent and 2.6 percent, respectively. An upward adjustment is supported due to actual FY 2024 revenue collection being higher than the FY 2023 base used to project revenues for the 2024-26 biennium and the official forecast assuming a mild recession to occur at the end of FY 2024 and continue into FY 2025, which has not occurred.

The introduced budget also includes a net reduction of \$60.2 million associated with suggested tax policy actions. Accounting for proposed tax policy actions in the introduced budget, general fund revenue is, excluding transfers, assumed to increase 4.1 percent in FY 2025 and 2.5 percent in FY 2026. Major tax policy proposals include excluding tip income from state income tax, conforming the interest rate of overpayment or underpayment of state noncorporate taxes to the federal Internal Revenue Service interest rate, and increasing the threshold for estimated payments.

Additionally, SB 800 proposes to alter the method for sourcing sales for corporate income apportionment from cost-of-performance to market-based sourcing beginning in taxable year 2026, which is estimated to reduce revenue by \$24.0 million in FY 2027 and \$2.2 million in FY 2028. The introduced budget also proposes a refundable state income tax credit equal to the amount of local personal property tax paid on personal-use vehicles. The credit is \$150 for single individuals and \$300 for married persons whose federal adjusted gross income does not exceed \$50,000 for single individuals or \$100,000 for married persons filing jointly. The credit is funded with a proposed \$1.1 billion general fund appropriation to a non-reverting fund for FY 2026 through FY 2028 and then is assumed to reduce the revenue forecast by about \$380.0 million beginning in FY 2029 and beyond.

**Tax Policy Actions Assumed in Introduced Budget**

(General Fund Impact \$ in millions)

	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
Eliminate Tax on Tip Income	\$0.0	(\$35.0)	(\$35.0)
Increase Estimated Payment Threshold	(10.4)	(1.1)	(11.5)
Conform Interest Rate on Tax Over/Underpayment	0.0	(10.0)	(10.0)
Assumes Full Utilization Education Improvement Scholarship Tax Credit	(4.0)	(4.0)	(8.0)
TAX Staffing for Error Resolution	0.0	2.3	2.3
TAX Refund Procedures for Internet Service Providers Exemption	<u>0.0</u>	<u>2.0</u>	<u>2.0</u>
<b>Total</b>	<b>(\$14.4)</b>	<b>(\$45.8)</b>	<b>(\$60.2)</b>

**Tax Policy Actions in SB 800 with Out-Year Impacts**

Working-Class Car Tax Credit – assumed to reduce revenue by \$380.0 million in FY 2029.

Market Based Sourcing – initial estimates indicate a negative impact in FY 2027 of \$23.9 million and \$2.2 million in FY 2028, while turning positive in FY 2029 by \$9.5 million and \$22.7 million in FY 2030.

\*May not sum due to rounding.

**Transfers.** The introduced budget includes a net \$52.9 million in transfer adjustments to the general fund. These include the routine adjustments for the sales tax transfer for public education and the Alcoholic Beverage Control Authority (ABC) profit transfer. ABC profit transfer is reduced by \$75.9 million over the biennium to account for an overly optimistic sales and operating expense forecast adopted by the ABC Board in fall 2023. The amendments include a \$112.5 million reduction to account for vetoed legislation from the 2024 Session related to skill games.

In addition to routine adjustments, the introduced budget proposes to increase the transfer from the Revenue Reserve Fund by \$203.0 million. This action is proposed to align the combined balance of the Revenue Reserve Fund and Revenue Stabilization Fund to the 15.0 percent limit of certified tax revenues as required by the Code of Virginia. This action would increase transfers from the Revenue Reserve Fund to \$1.0 billion by the end of the 2024-26 biennium.

**Appropriations.** The Governor’s proposed budget recommends \$4.7 billion in spending over the levels in Chapter 2 with \$3.4 billion in operating spending changes and \$1.4 billion in GF-cash capital outlay changes. The unappropriated balance would be \$14.8 million at the close of FY 2026, as proposed. Major general fund spending items include:

- \$1.1 billion to fund income tax credits for car tax relief;
- \$632.2 million to fully fund the projected costs of the Medicaid program;
- \$294.5 million for the statutorily required deposit to the Revenue Reserve Fund based on excess FY 2024 revenues;
- \$175.0 million for I-81 corridor improvements;
- \$131.0 million to replace the revenue management system at the Department of Taxation;
- \$110.7 million for fund English Language Learner costs in K-12; and
- \$105.4 million to fund the increasing costs of the Children's Services Act.

Major general fund operating spending and savings items are detailed in the table below:

<b>Major Operating Budget Spending and Savings in HB 1600/SB 800, as Introduced</b>	
(General Fund \$ in millions)	
	<b>FY 2024-26 Biennium</b>
<b>Major Spending</b>	
Car Tax Credits	\$1,103.0
DMAS: Medicaid Utilization and Inflation	632.2
Mandatory Revenue Reserve Fund Deposit	294.5
I-81 Corridor Improvement Program	175.0
TAX: Revenue Management System Replacement	131.0
K-12: English Language Learner Update	110.7
Children’s Services Act Forecast	105.4
SCHEV: Virginia Military Survivors and Dependents Program Tuition Waiver Assistance	90.0
K-12: New State Assessment Contract	66.0
K-12: School Performance and Support Framework Resource Hub	51.3
Virginia Business Ready Sites Program	50.0
K-12: Virginia Opportunity Scholarships for Private School Costs	50.0
DEQ: Richmond Combined Sewer Overflow	50.0
DMAS: Children’s Health Insurance Program (CHIP) Utilization and Inflation	47.6

**Major Operating Budget Spending and Savings in  
HB 1600/SB 800, as Introduced**

(General Fund \$ in millions)

**FY 2024-26  
Biennium**

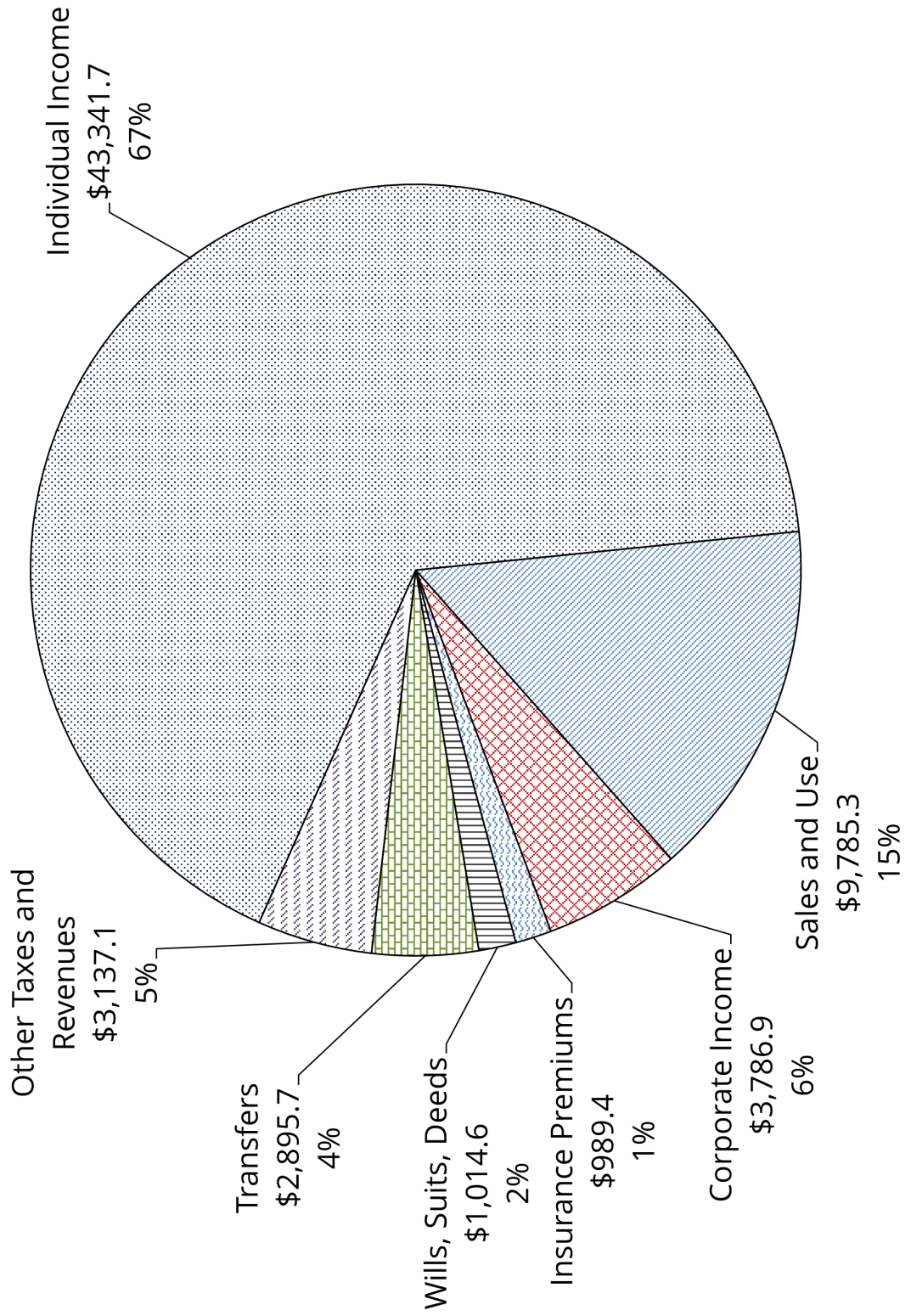
DMAS: Family Access to Medical Insurance Security (FAMIS) Utilization and Inflation	40.7
State Employee Health Insurance Premium Costs	40.5
K-12: Sales Tax Update	38.4
Life Science Research Initiatives	35.0
DBHDS: Special Conservators of the Peace at Private Hospitals	35.2
K-12: Update for Fall Enrollment	33.8
DCR: WQIF Deposit and Virginia Natural Resources Commitment Fund	26.3
DHCD: Disaster Assistance Fund	25.0
K-12: Laboratory Schools at Historically Black Colleges and Universities	25.0
DEQ: Mandatory WQIF Deposit for Enhanced Nutrient Removal Certainty Program	17.4
VCCS: College and Career Ready Virginia Program	15.0
DHCD: Early Learning Capital Incentive Program	14.0
SCHEV: Grant Program for Nursing Students at Public Universities	12.0
Other Spending Items	<u>234.0</u>
<b>Total Spending</b>	<b>\$3,549.2</b>
<b>Major Savings</b>	
K-12: Lottery Proceeds	(\$63.3)
Medicaid: Health Care Fund	(33.4)
DSS: Child Welfare Forecast	(27.3)
K-12: Update Lottery-Funded Programs	(22.2)
DRPT: Support for Washington Metropolitan Area Transit Authority	(11.1)
Other Saving Items	<u>(24.3)</u>
<b>Total Savings</b>	<b>(\$181.6)</b>
<b>Net Operating Spending</b>	<b>\$3,367.3</b>



# 2024-2026 General Fund Revenues = \$65.0 Billion

(SB 800, 2025 Session)

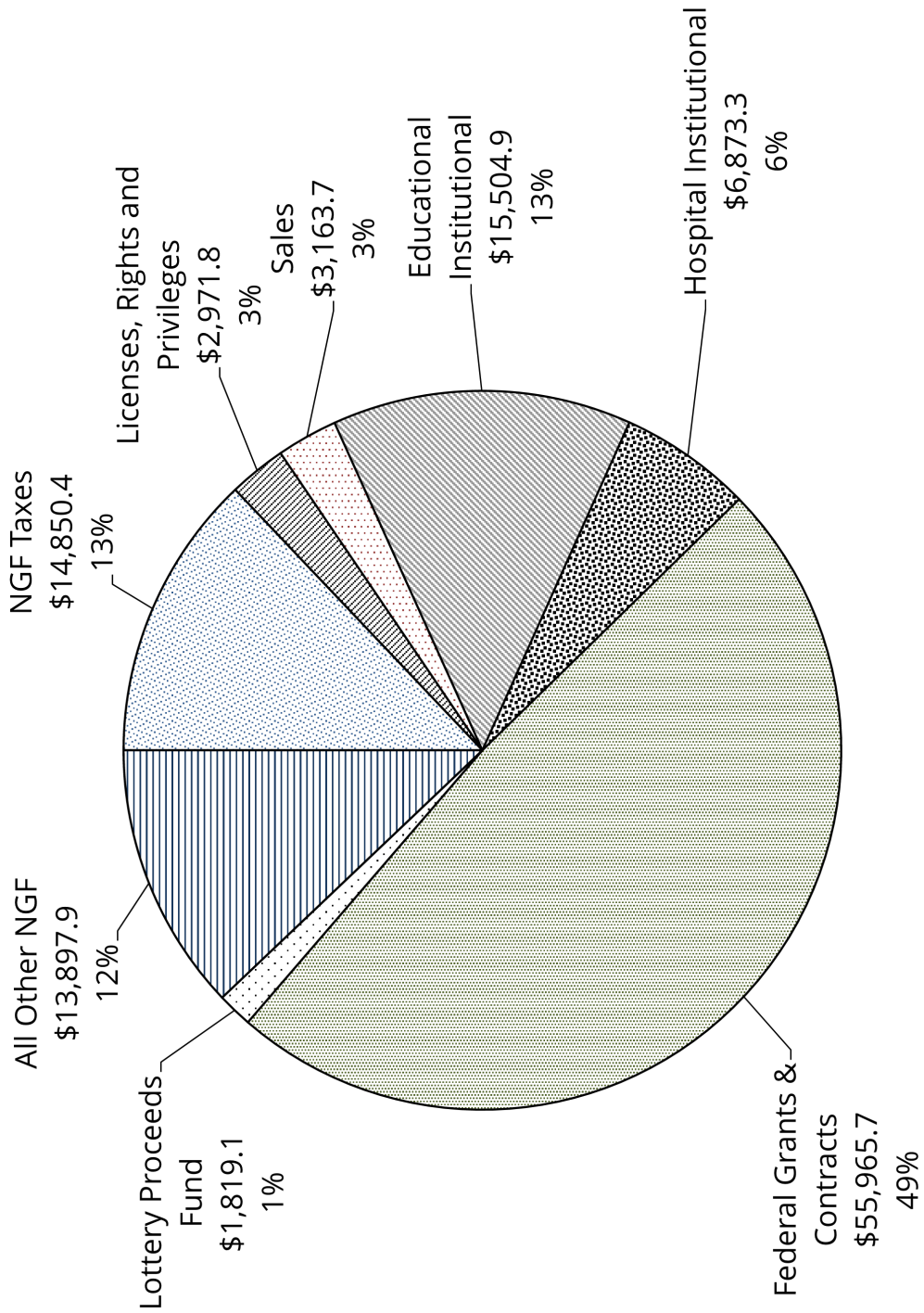
(\$ in millions)



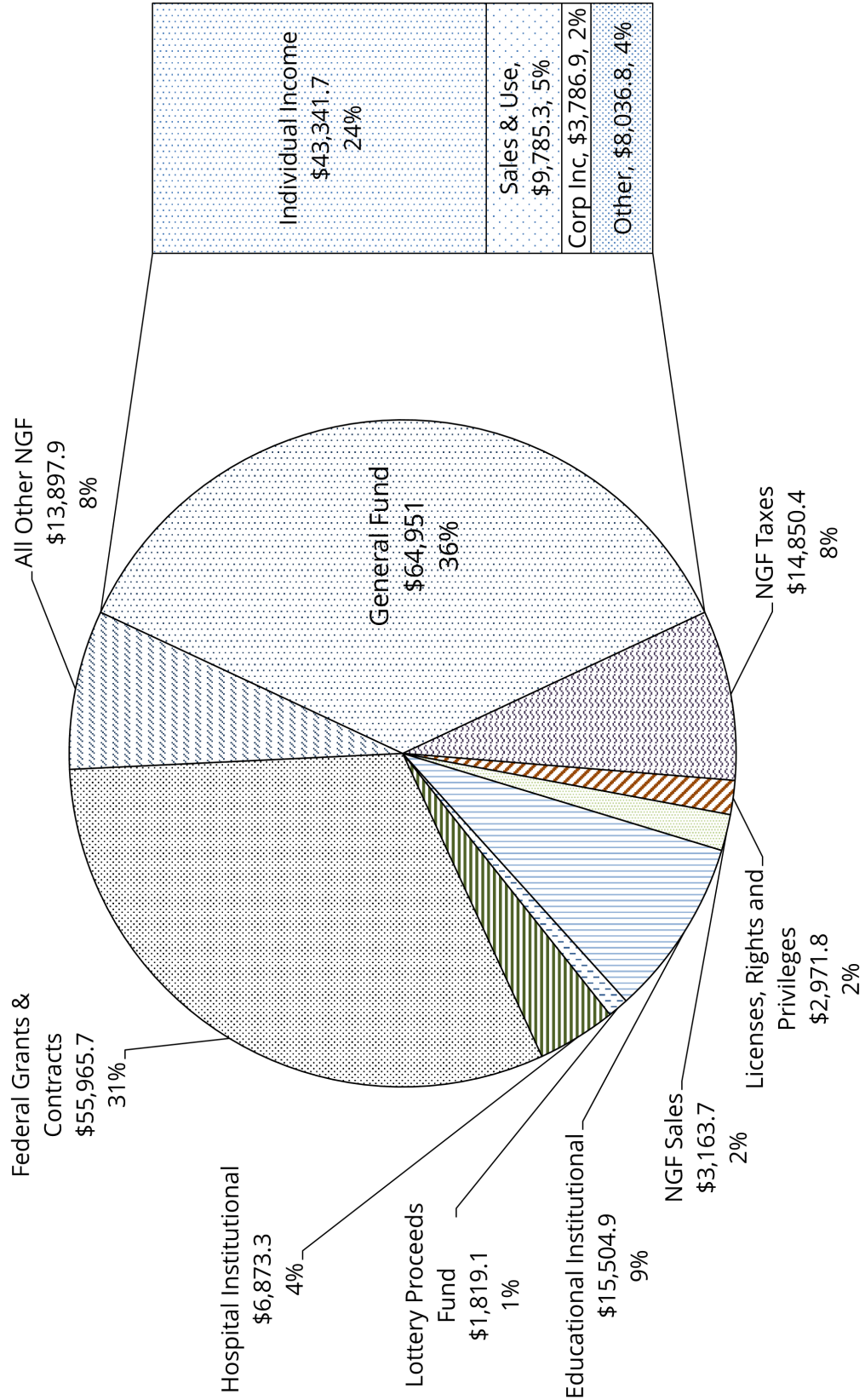
# 2024-2026 Nongeneral Fund Revenues = \$115.0 Billion

(SB 800, 2025 Session)

(\$ in millions)

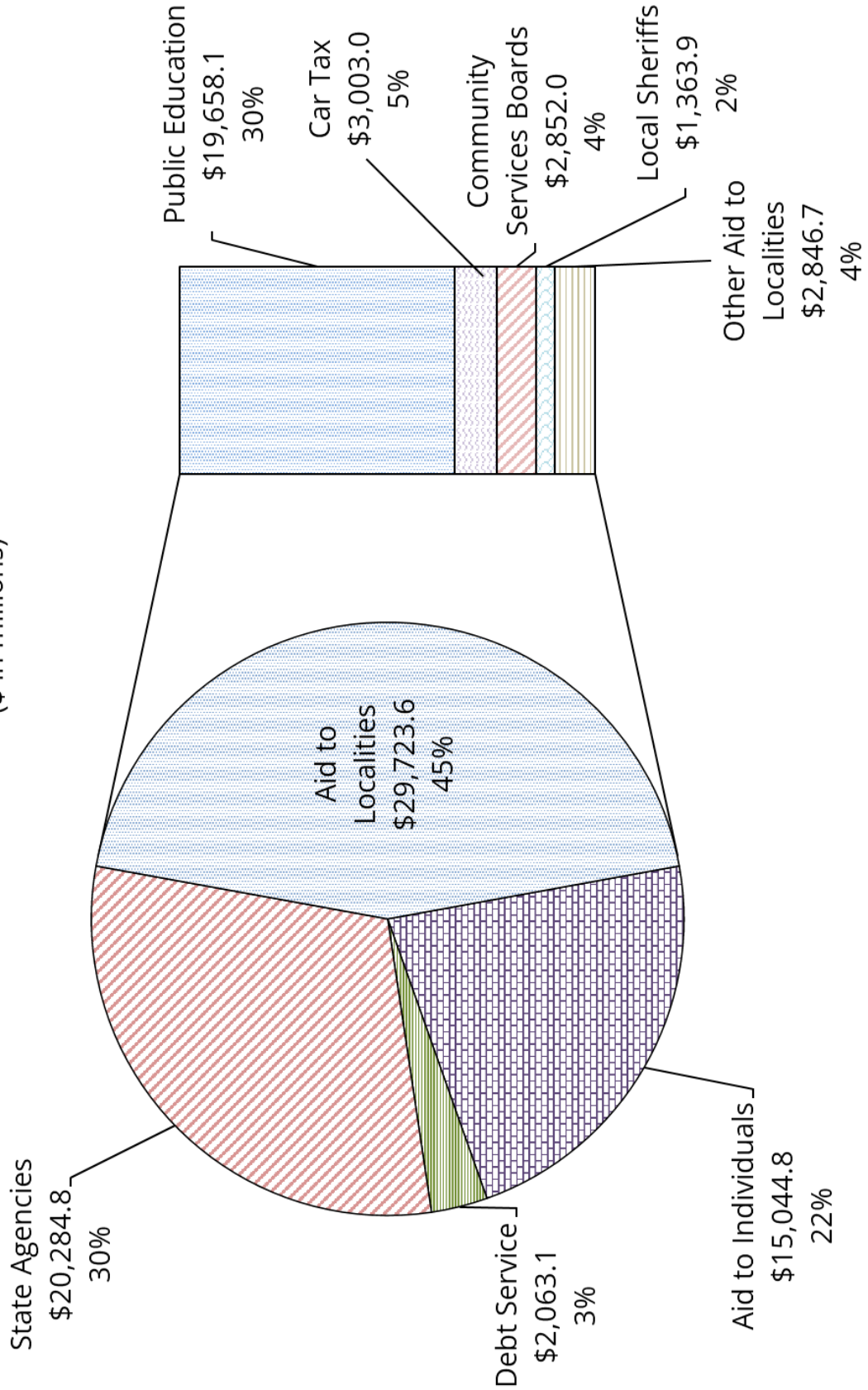


**2024-2026 Total Revenues = \$180.0 Billion**  
 (SB 800, 2025 Session)  
 (\$ in millions)



# 2024-26 GF Operating Budget = \$67.1 Billion

(SB 800, as Introduced)  
(\$ in millions)



**Legislative Department.** The Governor’s proposed budget proposes one amendment for the Legislative Branch to fund \$57,553 GF the second year for operational costs of the Virginia-Israel Advisory Board.

**Judicial Department.** The introduced budget recommends an increase of \$7.5 million GF over the biennium related to information technology systems and other initiatives, including \$3.0 million to meet criminal sealing statutory requirements, \$3.0 million for general technology cost increases, and \$1.5 million for an identity access management system upgrade.

**Executive Offices.** The Governor’s proposed budget includes an increase of \$90,000 GF the first year and \$469,337 GF the second year for the Executive Offices. The only amendments are in the Office of the Attorney General to fund 2.0 positions for ratepayer advocacy, 1.0 additional attorney position to expand Operation Ceasefire to Northern Virginia, and one-time funding to set up the Electronic Nicotine Delivery System directory in the first year.

**Administration.** The introduced budget proposes \$5.4 million GF the first year and \$4.0 million GF the second year for agencies in Administration. The largest amendments are to add \$2.0 million GF each year for the Virginia Information Technologies Agency to establish a Project Management Center of Excellence to assist state agencies with complex information technology projects and \$1.9 million GF the first year for the state match for federal cybersecurity grants. Other proposed amendments provide \$1.4 million GF the second year for a 9.3 percent increase in sheriff dispatchers and dispatch supervisors salaries at the Compensation Board and \$1.3 million the first year at the Department of Elections to fund migration of systems to the cloud and development of a plan to upgrade committee electronic tracking and campaign finance management systems.

**Agriculture and Forestry.** The introduced budget for Agriculture and Forestry includes increases of \$1.1 million GF in FY 2025 and \$3.5 million in FY 2026. Additional funding is proposed for one-time equipment purchases, including liquid propane gas testing and electric vehicle charging station inspection equipment for the Department of Agriculture and Consumer Services (VDACS), and information technology improvements, such as modernizing VDACS’ regulatory platform and upgrading the Integrated Forest Resources Information System for the Department of Forestry. The amendments recommend \$250,000 GF the second year to establish

a Pasture, Rangeland, and Forage Insurance Premium Assistance Program to help livestock producers who are dealing with ongoing drought and abnormally dry conditions.

**Commerce and Trade.** The introduced budget for Commerce and Trade proposes increases totaling \$167.5 million GF in FY 2025 and \$51.5 million GF in FY 2026. A significant change is proposed for the life sciences initiative at the Virginia Innovative Partnership Authority, which would shift \$69.1 million GF from the second year to the first year and provide an additional \$35.0 million GF in FY 2025 for specific projects. The amendments increase support for business ready sites development by \$50.0 million GF the second year, bring the total funding to \$90.0 million GF over the biennium. In addition, \$25.0 million GF is recommended to create a new fund to address life, safety, and housing disaster-related costs not covered by other sources, and the budget language authorizes the use of Regional Greenhouse Gas Initiative proceeds from the December 2023 auction (\$97.4 million NGF) to further capitalize the fund. The amendments propose \$15.0 million GF in FY 2025 to establish an Early Learning Capital Supply-Building matching grant program to be jointly administered by the Departments of Housing and Community Development and Education and State Council of Higher Education for Virginia. Finally, the amendments include \$5.0 million GF the first year for sports tourism, with \$500,000 directed toward promotion of a Major League Baseball game in the Bristol area.

**Labor.** The Governor's proposed amendments for the Labor Secretariat include \$2.0 million GF the first year for a Virginia Has Jobs initiative, \$350,000 GF the second year to support administrative costs for the Department of Workforce Development and Advancement, and \$376,935 GF and 5.0 positions to expand a pilot re-entry job placement program. In addition, the budget would provide a \$10.0 million GF line of credit in advance of federal funding for the Department of Workforce Development and Advancement, upon approval by the Secretary of Labor.

**Public Education.** The proposed amendments for Direct Aid to Public Education for the 2024-26 biennium total a net increase of \$164.3 million GF and \$353.3 million NGF compared to Chapter 2, 2024 Special Session I. These amounts reflect \$89.2 million GF in routine updates and \$75.1 million GF in policy changes.

Routine updates and forecast changes include: \$110.7 million for updated English Language Learner (ELL) data; \$38.4 million in projected sales tax revenue;

and \$33.8 million in revised Average Daily Membership (ADM) projections. Revised Lottery proceeds projections total \$63.3 million NGF over the biennium and supplant a like amount of GF.

Proposed Direct Aid policy changes include: 1) \$290.0 million NGF over the biennium to support the School Construction Assistance Program, using casino tax revenue projections and one-time Literary Fund deposits; 2) \$25.0 million GF the first year to establish new laboratory schools with Historically Black Colleges and Universities; and 3) \$50.0 million GF the second year to provide \$5,000 grants to help economically disadvantage students cover the costs of attending accredited Virginia private schools with payment managed by the Department of Treasury.

Other proposed amendments for public education include: 1) \$66.0 million GF across the biennium for the Department of Education to implement a new statewide assessment contract; 2) \$51.3 million GF across the biennium to establish the School Performance and Support Framework Resource Hub to support schools identified as Off Track or Needs Intensive Support; and 3) \$500,000 GF the second year for the Life Changing Experiences program for multimedia education focusing on activities that negatively impact teenagers. The introduced budget also proposes changes to early childhood education programs, including updating family copayment requirements, updating parental work requirements, and removing the .500 local composite index cap for the Virginia Preschool Initiative. The proposed changes may generate new early childhood slots due to the updated eligibility and copayment requirements freeing up existing appropriations.

**Higher Education.** The introduced budget proposes a total net increase of \$143.6 million GF and \$538.1 NGF over the biennium. Of the general fund amounts, \$53.6 million is proposed for new initiatives and the remaining \$90.0 million appropriates funds allocated in Chapters 3 and 4, 2024 Special Session I from FY 2024 excess GF revenue for the Virginia Military Survivors and Dependents Education Program (VMSDEP) tuition waiver.

Proposed general fund investments include: 1) \$15.0 million to support the College and Career Ready Virginia Initiative at the community colleges related to support of high school students through dual enrollment and noncredit training; 2) \$12.0 million for a competitive nursing grant program; 3) \$9.4 million for VMSDEP stipends to students; 4) \$3.5 million for the workforce credential grant program; and

5) \$1.5 million to provide students eligible for Tuition Grant Assistance to receive up to \$2,500 of additional assistance if they are enrolled in a nursing program at a Hispanic-Serving Institution.

Of the nongeneral fund amounts, the budget proposes an additional \$60.0 million each year from VA529 defined benefit surplus funds to support VMSDEP tuition waivers, bringing total proposed waiver funding to \$125.0 million annually. The remaining amounts are primarily adjustments to reflect anticipated revenues in the areas of state health services provided through UVA and VCU, sponsored research, higher education operations, and auxiliary services.

Recommends language that requires public institutions to freeze tuition in FY 2026 and limit tuition increases thereafter to the lesser of inflation or 2.5 percent. It also proposes that New College Institute receive no funding for the upcoming 2026-28 biennium and requires the development of a sustainability plan.

**Finance.** The introduced budget includes a net increase for Finance of \$1.5 billion GF the first year and \$13.4 million GF the second year. The largest increase is \$1.1 billion GF the first year for the creation of a Car Tax Credit fund. The proposed amount covers the estimated cost for the first three years of the individual income tax credit to offset local car tax payments of up to \$150 for single individuals and \$300 for married persons whose federal adjusted gross income is below \$50,000 and \$100,000, respectively. It is assumed that the annual revenue impact will be included in the official forecast beginning in FY 2029.

Other significant proposed amendments include \$294.5 million GF the first year for a statutorily required deposit to the Revenue Reserve Fund based on the FY 2024 revenue surplus and \$131.0 million GF the first year to replace the Department of Taxation's revenue management system. Other amendments include funding at the Department of Taxation for positions in error resolutions and appeals, replacing other critical information technology systems, and implementing security initiatives. The Department of Accounts has recommended funding increases for 14.0 positions to enhance agency operations. Under Treasury Board, an amendment reflects debt service savings of \$12.1 million GF the first year and an increase of \$2.3 million GF the second year.

**Health and Human Resources.** The proposed amendments to the Health and Human Resources secretariat include a net increase of \$857.9 million GF and



\$2.3 billion NGF over the biennium. The largest spending item is the required \$632.2 million GF and \$2.1 billion NGF to fund the projected expenditures for inflation and utilization in the Medicaid program. Other mandatory spending includes \$89.9 million GF and \$155.6 million NGF for the Family Access to Medical Insurance Security program, projected expenses for the Medicaid Children's Health Insurance Program, and increases in foster care and adoption assistance payments. The introduced budget also recommends \$105.4 million GF to fund projected growth in services provided through the Children's Services Act, with growth in private day special education services as the largest driver.

Discretionary spending makes up 22.4 percent of proposed general fund spending for Health and Human Resources. Spending includes \$35.2 million GF the first year for special conservators of the peace at private hospitals to provide custody of those under detention orders, \$8.0 million GF over the biennium to enhance Child Protective Services based on recommendations from the Office of the State Inspector General, and \$7.3 million GF the second year to account for increased costs in the employment and income verification services contract used for public benefit programs. The proposed budget also includes language to prohibit state funds from being used to provide abortion services, except as required by federal law.

**Natural and Historic Resources.** The introduced budget includes amendments to the Natural and Historic Resources that total \$100.8 million GF the first year and \$1.0 million GF the second year. The primary change in FY 2025 is the \$93.7 million from FY 2024 revenue collections and agency balances that is designated for the Water Quality Improvement Fund (WQIF). Of that amount, \$50.0 million GF would support the City of Richmond's Combined Sewer Overflow project, \$17.4 million GF would transfer to the Virginia Natural Resources Commitment Fund for agricultural best management practices, \$17.4 million GF would reimburse eligible entities under the Enhanced Nutrient Removal Certainty Program, and \$8.9 million GF is proposed for deposit to the WQIF reserve. In addition, \$4.4 million GF the first year is recommended to leverage federal funding for a project to relocate Virginia's largest seabird colony that is being displaced by a transportation expansion project.

**Public Safety.** The Governor's proposed amendments to the Public Safety and Homeland Security Secretariat represent a \$38.0 million GF net increase over the biennium. The introduced budget recommends establishing or increasing several

grant programs, including: an additional \$6.8 million GF for the School Resource Officer Incentive Grants Fund; \$5.0 million GF to establish a grant program for fire protection equipment; \$3.5 million GF to reestablish grant funding for civil commitment transportation time; and \$2.5 million GF in one-time grants for public safety communications equipment. Additional recommendations include \$4.1 million GF to support inmate healthcare costs, \$3.3 million for a salary increase for Virginia State Police officers, and \$3.1 million for increased costs related to youth in state custody. Proposed language establishes requirements for local law enforcement cooperation with U.S. Immigration and Customs Enforcement and prohibits payment of Aid to Localities with Police Departments (“599”) and jail per diem funding to localities that do not meet those requirements.

**Transportation.** The proposed amendments to the Transportation Secretariat include a net increase of \$164.9 million GF and \$290.8 million NGF over the biennium. The general fund increase is driven by the proposed appropriation of excess 2024 general fund revenue of \$175.0 million GF to the Interstate 81 Corridor Improvement Program. The introduced budget also proposes \$313.3 million NGF the first year and a decrease of \$106.9 million NGF the second year based on the November 2024 Commonwealth Transportation Fund forecast, program adjustments, agency operations, and the Transportation Six-Year Financial Plan, as approved by the Commonwealth Transportation Board in June 2024. Finally, \$1.0 million GF the first year is proposed to support dredging Back Creek off the York River in York County. Language is recommended to clarify who may be included in the toll relief program and how money for the toll relief program may be used.

**Veterans and Defense Affairs.** The introduced budget recommends a net increase of \$6.0 million GF over the biennium for the Secretariat of Veterans and Defense Affairs. The most significant item is an additional \$4.7 million GF to subsidize operations at the two new veterans care centers, bringing the total to \$23.8 million GF over the biennium. Other GF items are focused on additional personnel and information technology funding, including \$1.3 million for the Department of Veterans Services and \$50,200 for the Veterans Services Foundation.

**Central Appropriations.** The Governor’s proposed amendments in Central Appropriations include net funding of \$7.6 million GF the first year and \$64.9 million GF the second year. The largest increase is for the employer’s share of

state health insurance premiums, which is \$40.5 million GF the second year. Other increases include the state share of agency rent costs, property insurance premiums, and information technology costs. The amendments reflect higher interest and credit card rebates to be returned to higher education institutions of \$10.0 million GF the first year. The proposed amendments also include \$2.0 million GF the second year to cover the costs of the transition for statewide elected officials because of the 2025 election.

**Independent.** The introduced budget for Independent Agencies includes an increase of \$7.5 million NGF the first year and \$357.6 million NGF the second year. For the State Corporation Commission, \$127.8 million NGF is proposed the second year for the federal share of the Commonwealth Health Reinsurance Program and \$4.6 million NGF the second year for higher operational costs. For the Virginia Lottery, \$200.0 million NGF is proposed the second year to reflect the operational costs for the sale of lottery tickets and \$10.0 million treasury loan for the potential start-up costs for a new combined gaming agency. Budget language is proposed for the Commonwealth Savers Plan to transfer \$60.0 million NGF each year from the actuarial surplus of the Defined Benefit 529 plan to the State Council for Higher Education to fund the Virginia Military Survivors and Dependents tuition waiver grants.

**Capital Outlay.** The introduced budget proposes additional capital outlay spending of \$1.4 billion from all funds, including a net \$967.2 million in GF cash, \$165.8 million in NGF cash, \$31.5 million in 9(d) NG revenue bonds, and \$206.1 million in 9(c) NGF revenue bonds. Major general funded amendments include: 1) \$400.0 million GF for local wastewater treatment projects and rescindment of \$400.0 million in tax-supported bonds; 2) \$448.2 million GF for eight higher education projects in a pool; 3) \$136.2 million GF for the 2022 state agency pool to include the State Police Training Academy replacement project; 4) \$130.5 million GF for eight state agency projects in a pool; 5) \$62.4 million GF to supplement previously authorized capital projects; 6) \$35.0 million GF to renovate state space for Monroe Building tenants, authorizes planning for a new building at the VDOT Annex with existing funds, and authorizes the sale of the 7th and Main St. property; 7) \$14.5 million GF to continue planning and demolition for the new Commonwealth Courts Building; and 8) \$14.5 million GF for fixtures, furnishings, and equipment for projects nearing completion.

# Resources

The general fund resources assumed in SB 800, as introduced, result in a \$4.7 billion increase in general fund resources over the biennium compared to Chapter 2, 2024 Special Session I. The official revenue estimate accounts for 68.0 percent, or \$3.2 billion, of the additional resources and unrestricted balances comprise 29.0 percent, or \$1.5 billion. As introduced, SB 800 proposes \$4.7 billion GF spending above the GF spending levels in Chapter 2 and leaves a \$14.8 million unappropriated balance at the end of the biennium.

<b>Changes to General Fund Resources Available for Appropriation</b>			
(Biennial \$ in millions)			
	<b>Chapter 2</b>	<b>SB 800</b>	<b>Change</b>
Beginning Balance	\$2,989.6	\$12,757.4	\$9,767.8
Additions to Balances	<u>46.5</u>	<u>(8,258.2)</u>	<u>(8,304.7)</u>
<b>Net Balance Adjustments</b>	<b>\$3,036.1</b>	<b>\$4,499.2</b>	<b>\$1,463.1</b>
Chapter 2 Revenue Estimate	\$58,839.3	\$58,839.3	\$0.0
GACRE Forecast Adjustments		3,017.1	3,017.1
Post-GACRE Adjustments		258.8	258.8
Tax Policy Adjustments		<u>(60.2)</u>	<u>(60.2)</u>
<b>Total GF Official Revenue Estimate</b>	<b>\$58,839.3</b>	<b>\$62,055.0</b>	<b>\$3,215.7</b>
<b>Transfers</b>	<b>\$2,842.8</b>	<b>\$2,895.7</b>	<b>\$52.9</b>
<b>GF Resources Available for Appropriation</b>	<b>\$64,718.2</b>	<b>\$69,449.9</b>	<b>\$4,731.7</b>
Unappropriated Balance			\$17.6
SB 800 Change in Available Resources			4,731.7
SB 800 Operating Spending Changes			(3,367.3)
SB 800 Capital GF Spending Changes			<u>(1,367.2)</u>
<b>SB 800 Unappropriated Balance</b>			<b>\$14.8</b>

## Balance Adjustments

The \$1.5 billion net balance adjustment in SB 800 is comprised of the \$1.2 billion FY 2024 surplus and \$145.7 million in reversions from unspent FY 2024

appropriations. Out of the FY 2024 surplus, \$665.0 million is reserved for appropriations pursuant to Item 470 K.2. of Chapter 2 and Item 470.10 of Chapters 3 and 4, 2024 Acts of Assembly, Special Session I. SB 800 includes amendments to appropriate these funds. Additionally, appropriations are made for the statutory deposits to the Revenue Reserve Fund (\$294.5 million) and Water Quality Improvement Fund (WQIF) deposits (\$93.7 million), which are committed amounts on the FY 2024 year-end balance sheet.

<b>FY 2024 Surplus Reservations</b>		
(GF \$ in millions)		
	<b>Amount</b>	<b>Reservation</b>
I-81 Corridor Improvement Program	\$175.0	Chapter 2
WQIF Wastewater Improvements Matching Grants	400.0	Chapter 2
Virginia Military Survivors & Dependents Education Program	<u>90.0</u>	Chapters 3 & 4
<b>Total FY 2024 Surplus Reservations</b>	<b>\$665.0</b>	

Additionally, a \$30.4 million adjustment is assumed for authorized sum sufficient amounts for natural disaster relief for Hurricanes Helene and Milton, \$994,000 reversion from Central Appropriations balances, and \$5.0 million reverted from excess unallotted Child Care Subsidy amounts.

### **Forecast of General Fund Revenues**

Through the first five months of FY 2025, total general fund revenue grew 7.3 percent, compared to the forecasted decline of 3.0 percent over FY 2024. Revenue could decline 8.7 percent and still meet the forecast. This is primarily due to the official forecasts adopted for FY 2024 and FY 2025 assuming a mild recession beginning in the fourth quarter of FY 2024 and continuing into FY 2025, which has not materialized. In FY 2024, general fund revenue increased 5.5 percent, or \$1.5 billion, over FY 2023 and 1.3 percent, or \$1.2 billion, over the official forecast assumed in Chapter 1 (Caboose Budget 2022-2024). Additionally, Chapter 1 adjusted the FY 2024 forecast upwards by \$525.0 million for stronger withholding growth year-to-date. There were no adjustments made to the FY 2025 and FY 2026 withholding, even though this is generally a stable revenue source.

Based on the advice of the Joint Advisory Board of Economists and the Governor’s Advisory Council on Revenue Estimates (GACRE), the Governor’s proposed base forecast increases general fund revenue by \$2.1 billion in FY 2025 and \$1.2 billion in FY 2026. Adjustments to the forecast proposed after the GACRE meeting increase revenue by a net \$147.4 million in FY 2025 and \$111.4 million in FY 2026. These adjustments mainly reflect timing assumptions for nonwithholding and refunds and year-to-date collections for corporate and interest revenue. In addition to economic adjustments to the forecast, SB 800 includes net reductions of \$14.4 million in FY 2025 and \$45.8 million in FY 2026 associated with proposed and assumed tax policy adjustments. Prior to the proposed tax policy actions, the December forecast assumes a 4.1 percent increase in FY 2025 revenue and 2.6 percent increase in FY 2026 revenue. After adjusting for tax policy actions, the introduced budget assumes a 4.1 percent increase in FY 2025 revenue and 2.5 percent increase in FY 2026 revenue.

The economic growth in building the base forecast for SB 800 assumes slower modest growth compared to the Virginia long-term average. Virginia’s employment growth is estimated to increase 1.2 percent in FY 2025 and 1.0 percent in FY 2026. Virginia’s average wage is estimated to increase 3.5 percent and 2.5 percent annually, respectively in FY 2025 and FY 2026, compared to the long-term average of 3.8 percent.

<b>Economic Variables Assumed in December Forecast</b>				
% Growth over Prior Year				
	<b>FY 2025</b>		<b>FY 2026</b>	
	<b>VA</b>	<b>US</b>	<b>VA</b>	<b>US</b>
Real GDP		1.4		1.7
Real Consumer Spending		1.7		2.2
Employment	1.2	0.8	1.0	0.0
Average Wage	3.5	2.7	2.5	2.8

<b>General Fund Revenue Estimates</b>			
(\$ in millions)			
	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
Chapter 2, 2024 Special Session I	\$28,563.7	\$30,275.6	\$58,839.3
GACRE Adjustments November	1,951.7	1,065.4	3,017.1
Post-GACRE Adjustments	147.4	111.4	258.8
Assumed Tax Policy Actions	<u>(14.4)</u>	<u>(45.8)</u>	<u>(60.2)</u>
<b>Total</b>	<b>\$30,648.4</b>	<b>\$31,406.6</b>	<b>\$62,055.0</b>

<b>2024-26 Biennium Official General Fund Forecast by Source</b>						
(\$ in millions)						
	<b>FY 2025</b>			<b>FY 2026</b>		
	<b>Forecast</b>	<b>Change</b>	<b>% Growth</b>	<b>Forecast</b>	<b>Change</b>	<b>% Growth</b>
Withholding	\$17,580.8	\$951.5	5.2%	\$17,905.3	\$165.4	1.8%
Nonwithholding	6,778.5	1,147.4	3.3	6,382.7	683.6	(5.8)
Refunds	<u>(2,811.6)</u>	<u>204.2</u>	<u>(5.4)</u>	<u>(2,494.1)</u>	<u>249.2</u>	<u>(11.3)</u>
Net Individual	\$21,547.7	\$2,303.0	6.1	\$21,793.9	\$1,098.3	1.1
Corporate	1,791.5	(274.0)	(6.1)	1,995.4	(169.3)	11.4
Sales	4,797.9	105.6	1.9	4,987.4	98.0	3.9
Insurance	485.7	46.4	3.7	503.7	51.3	3.7
Wills (Recordation)	457.6	0.9	12.6	557.0	99.8	21.7
All Other	<u>1,567.9</u>	<u>(97.4)</u>	<u>(4.8)</u>	<u>1,569.1</u>	<u>(47.4)</u>	<u>0.1</u>
<b>Total GF Revenues</b>	<b>\$30,648.4</b>	<b>\$2,084.7</b>	<b>1.0</b>	<b>\$31,406.5</b>	<b>\$1,130.7</b>	<b>6.0</b>

### Policy Changes Assumed in Revenue Forecast

The Governor’s introduced budget amendments include revenue reduction and generation proposals associated with tax policy changes and assumptions that

have not been adopted by the General Assembly. The general fund forecast assumes a \$60.2 million net revenue decrease from policy-related adjustments and include:

- Eliminating tip income from state taxes by allowing a deduction of reported tips beginning in taxable year 2026. This reduces general fund revenue by \$35.0 million in FY 2026, \$64.7 million in FY 2027, and \$66.3 million in FY 2028.
- Increasing the threshold for estimated tax payments from \$150 to \$1,000 beginning in taxable year 2026. The introduced budget assumes the impact reduces revenue by \$10.4 million in FY 2025 and \$1.1 million in FY 2026. However, the proposal's revenue reduction should be \$10.4 million in FY 2026 as the implementation date is January 1, 2026.
- Conforming the interest rate to the federal Internal Revenue Service rate on the underpayment and overpayment rates for taxes and assessments beginning in taxable year 2026. Currently, the rate for noncorporate taxpayers is the federal rate plus an additional 200 basis points. The proposal reduces revenue by \$10.0 million in FY 2026.
- Assuming a \$2.3 million revenue increase in FY 2026 from additional staffing at the Department of Taxation for timely resolution of errors and appeals, which reduces the amount of refund interest paid.
- Eliminating existing budget language in Item 3-5.04 that requires internet service providers to pay sales tax and subsequently seek a refund for exempt purchases instead of requiring them to follow the ordinary practice of applying for and using exemption certificates for exempt purchases. This increases revenue by \$2.0 million GF in FY 2026 by reducing the amount of refund interest paid.
- Assuming additional proposed staff for error resolution and appeals at the Department of Taxation reduces the amount of refund interest paid to taxpayers. This increases revenue by \$2.3 million GF in FY 2026.



**Proposed Tax Policy Actions Impacting General Fund**

(\$ in millions)

	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
Eliminate Tax on Tip Income	\$0.0	(\$35.0)	(\$35.0)
Increase Estimated Payment Threshold	(10.4)	(1.1)	(11.5)
Conform Interest Rate on Tax Over/Underpayment	0.0	(10.0)	(10.0)
Assumes Full Utilization Education Improvement Scholarship Tax Credit	(4.0)	(4.0)	(8.0)
TAX Staffing for Error Resolution and Appeals	0.0	2.3	2.3
TAX Refund Procedures for Internet Service Providers Exemption	<u>0.0</u>	<u>2.0</u>	<u>2.0</u>
<b>Total*</b>	<b>(\$14.4)</b>	<b>(\$45.8)</b>	<b>(\$60.2)</b>

\*May not sum due to rounding.

The Governor’s proposed amendments also include a Working-Class Car Tax Credit. The credit would be a refundable state income tax credit equal to the amount of local personal property tax paid on personal-use vehicles. Credit would be up to \$150 for single filers and \$300 for joint filers whose federal adjusted gross income does not exceed \$50,000 for single filers and \$100,000 for joint filers. Proposed language restricts the credit to only residents living in a locality that does not increase the personal property tax rate levied by more than 2.5 percent annually. The credit’s impact will be funded for three years with a GF appropriation of \$1.1 billion to a non-reverting fund. The ongoing revenue impact is assumed to be included in the revenue forecast, decreasing revenue by \$376.9 million in FY 2029 and \$381.5 million in FY 2030.

In addition, the Governor proposes to alter the method for sourcing sales for corporate income apportionment from cost-of-performance to market-based sourcing beginning in taxable year 2026. Market-based sourcing attributes a sale to the jurisdiction where the corporation’s market or customers are located. Currently, Virginia has adopted market-based sourcing for limited corporations, specifically debt buyers, property information and analytics firms, and internet root infrastructure providers. As part of an existing economic development incentive, market-based sourcing is provided as an economic development incentive for CoStar, and current performance targets for employment and capital expenditures

are tied to the tax incentive. The budget language proposes eliminating Costar's performance targets, since market-based sourcing would be widely available. The Department of Tax estimates revenue to be reduced by \$24.0 million in FY 2027 and \$2.0 million in FY 2028, and then increase by \$10.0 million in FY 2029 and \$23.0 million in FY 2030.

The proposed budget also makes the existing state standard deduction of \$8,500 for single filers and \$17,000 for joint filers permanent. The deduction is set to expire on December 31, 2025, with the expiration of the federal 2017 Tax Cuts and Jobs Act (TCJA). If the current deduction expires, the deduction will revert to the taxable year 2018 deduction of \$3,000 for single and \$6,000 for joint filers. Under TCJA, Virginia experiences increased general fund revenue, mainly from individuals using the higher federal standard deduction rather than itemized deductions, and the state standard deduction and refundable Earned Income Tax Credit were tied to the TCJA expiration date due to this positive relationship. If all TCJA provisions impacting the general fund were to expire on December 31, 2025, general fund revenue would decrease \$216.6 million in FY 2026, \$560.5 million in FY 2027, \$610.6 million in FY 2028, \$688.9 million in FY 2029 and \$784.2 million in FY 2030.

### **Changes in Transfers**

Net transfer adjustments total \$52.9 million in SB 800 over the biennium. The routine adjustments include the 0.375 percent sales tax transferred from the Local Real Estate/Standard of Quality Fund for public education increasing by \$28.0 million, and ABC profits transfer reduction of \$75.9 million based on their sales forecast and expenses.

Beyond routine updates, the forecast reduces Chapter 2 transfers by \$112.5 million to remove the estimated revenue transfer from skill machines since the 2024 Session authorizing legislation was vetoed. As introduced, SB 800 assumes an additional transfer from the Revenue Reserve Fund to the general fund of \$203.0 million in FY 2025. This would increase the total assumed transfers from reserves to \$1.0 billion over the biennium to align the balance of the Revenue Stabilization Fund and Revenue Reserve Funds to the statutory 15.0 percent limit of certified tax revenues. The combined actions of Chapter 2 and SB 800 would bring the combined balances to 17.53 percent and 15.0 percent respectively in each fiscal

year. Chapter 2 includes language allowing the combined balance to be 20.0 percent, which SB 800 proposes to eliminate.

<b>Transfer Adjustments to the General Fund</b>	
(2024-26 Biennium, \$ in millions)	
Revenue Reserve Fund	\$203.0
ABC Profits	(75.9)
Sales Tax for Public Education 0.375%	28.0
Skill Games Transfer	(112.5)
Inactive Accounts	0.1
Balances Refunded Dominion Energy Funds	5.5
Excess Economic Development Fund	4.8
Sales Tax Compliance	(0.1)
<b>Total Transfer Adjustments</b>	<b>\$52.9</b>

# Legislative

<b>Governor’s Proposed Amendments to Legislative</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$150.5</b>	<b>\$5.3</b>	<b>\$130.3</b>	<b>\$5.3</b>
Proposed Increases	0.0	0.0	0.1	0.0
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$0.0	\$0.0	\$0.1	\$0.0
<b>SB 800, as Introduced</b>	<b>\$150.5</b>	<b>\$5.3</b>	<b>\$130.4</b>	<b>\$5.3</b>

## – Virginia-Israel Advisory Board

- **Increase Operational Support.** Proposes \$57,553 GF the second year to fund additional operational support costs for the Board.

# Judicial

<b>Governor’s Proposed Amendments to Judicial</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$653.1</b>	<b>\$41.2</b>	<b>\$660.0</b>	<b>\$41.2</b>
Proposed Increases	0.7	1.7	6.8	1.7
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$0.7	\$1.7	\$6.8	\$1.7
<b>SB 800, as Introduced</b>	<b>\$653.8</b>	<b>\$42.9</b>	<b>\$666.8</b>	<b>\$42.9</b>

## – Supreme Court

- **Technology Expenses.** Recommends \$3.0 million GF the second year to help offset increases in technology expenses, including software license agreements, information technology support contracts, and addressing data security risks.
- **Criminal Sealing Legislation Implementation.** Proposes \$3.0 million GF and 3.0 positions the second year to implement criminal sealing legislation that was enacted in 2021 and is set to become fully effective in July 2025.
  - Chapter 552, 2021 Acts of Assembly, Special Session I, provided \$1.5 million in FY 2022 in initial, one-time funding to begin implementation.
- **Identity Access Management (IAM) Upgrade.** Recommends \$718,000 GF the first year and \$800,000 GF the second year to upgrade the current IAM system with a commercial, off-the-shelf system.

## – Indigent Defense Commission

- **Locality Supplemental Pay (NGF).** Recommends \$1.3 million NGF each year to accommodate local salary supplements that are distributed by the Indigent

Defense Commission for public defenders, as authorized by Chapter 467, 2023 Acts of Assembly.

- **Interpreter and Paralegal Positions (NGF).** Proposes \$220,968 NGF and 2.0 positions each year for an interpreter and a paralegal position in the City of Alexandria and Prince William County. The localities plan to fund the salaries and benefits of both positions.
- **Opioid Abatement Authority Grant (NGF).** Recommends \$182,995 NGF the first year and \$185,122 NGF the second year to recognize increased grant funding from opioid settlement funds for reentry and recovery specialists in public defender offices.

# Executive Offices

<b>Governor’s Proposed Amendments to Executive Offices</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$66.1</b>	<b>\$41.2</b>	<b>\$66.0</b>	<b>\$41.2</b>
Proposed Increases	0.1	0.0	0.5	0.5
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$0.1	\$0.0	\$0.5	\$0.5
<b>SB 800, as Introduced</b>	<b>\$66.2</b>	<b>\$41.2</b>	<b>\$66.5</b>	<b>\$41.7</b>

## – Attorney General and Department of Law

- **Increase Rate Payer Protection Staff.** Proposes \$277,077 GF the second year and 2.0 positions for rate payer advocacy in energy rate cases and litigation. The Office of the Attorney General currently has one section chief and three assistant attorney general positions in the Division of Consumer Counsel.
- **Expand Operation Ceasefire Program to Northern Virginia.** Recommends \$192,260 GF and one position the second year for an additional attorney to expand the Operation Ceasefire program to Northern Virginia. Operation Ceasefire has been implemented in 13 cities statewide: Chesapeake, Danville, Emporia, Hampton, Hopewell, Lynchburg, Martinsville, Newport News, Norfolk, Petersburg, Portsmouth, Richmond, and Roanoke.
- **Increase the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund Appropriation.** Proposes \$500,000 NGF the second year to increase the appropriation in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund. The fund pays for outside experts and specialists and related costs when Virginia engages in consumer protection

actions such as anti-trust investigations. Currently, the Office of the Attorney General is allowed to use \$1.3 million of the fund for its expenses.

- **Provide Funding for Electronic Nicotine Delivery System Directory Start-up Costs.** Recommends \$90,000 GF the first year for one-time funding for Electronic Nicotine Delivery System (ENDS) directory start-up costs. Fees deposited into the ENDS Fund are expected to cover the on-going operational costs of the directory, however, those fees will not be collected until after July 1, 2025. One-time funds are needed to ensure that the directory is fully operational by the statutorily required December 31, 2025, deadline.



# Administration

<b>Governor’s Proposed Amendments to Administration</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$996.5</b>	<b>\$3,317.4</b>	<b>\$986.4</b>	<b>\$3,380.2</b>
Proposed Increases	5.4	0.9	4.0	50.9
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$5.4	\$0.9	\$4.0	\$50.9
<b>SB 800, as Introduced</b>	<b>\$1,001.8</b>	<b>\$3,318.3</b>	<b>\$990.4</b>	<b>\$3,431.1</b>

## – Secretary of Administration

- **Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency.** Recommends the transfer of \$5.3 million NGF and 7.0 positions the second year for the Office of Data Governance and Analytics (ODGA) to the Virginia Information Technologies Agency (VITA). ODGA is currently funded via charges assessed to state agencies by VITA.

## – Compensation Board

- **Salary Increase for Dispatchers in Sheriffs’ Offices.** Proposes \$1.4 million GF the second year to increase salaries by 9.3 percent for sheriffs’ dispatchers and dispatcher supervisors as of July 1, 2025.
- **Website Modernization.** Recommends \$126,986 GF the first year and \$26,621 GF the second year to modernize the Compensation Board’s website. The first-year costs include implementation, and the second-year costs cover maintenance and licensing fees.

- **Population-Based Salary Increase.** Proposes \$130,716 GF the second year to adjust elected constitutional officer salaries to align with local population growth, pursuant to existing budget language.

## – Department of General Services

- **Adjust Funding and Rates for the Office of Facilities Management Internal Service Fund.** Proposes \$6.1 million NGF the second year for the billable rent rates of the state agency rent plan to align with projected operating expenses. Changes in the rent plan reflect the removal of Old City Hall and the new parking deck at Ninth and Board Streets, which were transferred to legislative branch control on July 1, 2024. Additionally, this action adjusts the office's billable labor rates for trade positions to account for changes in statewide salary and fringe benefit rate increases.
- **Provide appropriation for storage of Physical Evidence Recovery Kits and Trace Evidence Collection Kits.** Recommends \$288,400 GF and 1.0 position the second year for the Division of Consolidated Laboratory Services for equipment, storage space, and personnel to process trace evidence collection kits and Physical Evidence Recovery Kits (PERK).
- **Increase Hourly Rate Charged by the Division of Engineering and Buildings.** Proposes to increase the hourly rate charged by the Division of Engineering and Buildings (DEB) from \$192.00 to \$201.00 in the second year for engineering and architectural services to capital projects. The impact of this change would affect the cost of capital projects.

## – Department of Human Resource Management

- **Provide Funding for the Commonwealth Leadership Academy.** Proposes \$100,000 GF each year for the Commonwealth Leadership Academy (CLA), to fund a cabinet nomination-based executive development program started by the Governor in 2023.
- **Fund Information Security Analyst Position.** Recommends \$73,708 GF, \$73,708 NGF, and 1.0 position the second year to support the cost of full-time information security analyst position. This position would maintain, enhance, and

monitor the agency's information security program to assure full compliance with the Commonwealth Security Standards.

- **Fund Human Resource Service Center.** Proposes \$150,000 NGF the second year to support an increase in the Shared Services Center rate from \$1,593 to \$2,000 per full-time equivalent and from \$637 to \$800 per wage employee. The cost of the Center's service is recovered and paid solely from revenues derived from charges for service. The Center was designed to accommodate small agencies, where a shared services approach would create economies of scale for the Commonwealth, as agencies would not need to establish and staff internal human resource programs.

## – Department of Elections

- **Fund Plan for Upgrades for Current Elections Software.** Proposes \$750,000 GF the first year to develop a plan to upgrade the committee electronic tracking (COMET) and the campaign finance management (CFM) systems. The upgraded systems would address current issues and prepare for future requirements.
- **Fund Migration of Information and Systems to the Cloud.** Recommends \$500,000 GF the first year for the continued migration of agency information and systems to the cloud. The Department of Elections is moving towards a cloud focused architecture to future-proof systems development and ensure scalability and recoverability of its critical mission systems.

## – Virginia Information Technologies Agency

- **Establish the Project Management Center of Excellence.** Proposes \$2.0 million GF each year to create the Project Management Center of Excellence for the Commonwealth and 1.0 position the second year. The Center will provide extensive support and management to agencies undertaking complex information technology systems and application projects.
- **Fund State Share of Federal Cybersecurity Grant.** Recommends \$1.9 million GF the first year to increase the state matching dollars for the federal State and Local Cybersecurity Grant Program. Additional general fund state matching dollars are needed due to a higher than anticipated federal award.

- **Adjust Funding for Internal Service Fund.** Proposes \$23.2 million NGF the second year for vendor pass-through payments to reflect the latest forecast of state agencies' utilization.
- **Fund Optional Enterprise Services.** Recommends \$500,000 NGF the first year and \$7.7 million NGF and 1.0 position the second year to support the maintenance of optional enterprise information technology services. Currently, the agency offers Robotic Process Automation, Box Enterprise Content Management Service, low-code application platform, and Adobe Cloud Platform services to agencies.
- **Fund Enhancements to Current Platforms' Cybersecurity and Accessibility.** Proposes \$4.9 million NGF and 2.0 positions the second year to continue the enterprise website modernization for cybersecurity and accessibility improvements. The funding also supports the continuation of the Language Translation Program and the Agency's PeopleSoft accounting system.
- **Develop and Operate a Single Sign-in and Verification System.** Recommends \$3.9 million NGF and 1.0 position the second year to develop and maintain a single sign-in and verification system for agency websites. The funding includes a service manager position to support the initiative.
- **Increase Positions to Support Cybersecurity, Auditing, and Cloud Oversight Services.** Proposes \$2.3 million NGF and 5.0 positions to increase staffing for information security, auditing, and support of the cloud security oversight program.
- **Fund Transition for the New Administration.** Includes \$365,225 NGF the first year and \$1.5 million NGF the second year and 1.0 position to support the transition of information technology services for the next administration, while supporting the operations of the current administration.
- **Increase Positions to Support Supply Chain Management Operations.** Proposes \$960,000 NGF and 5.0 positions the second year to support Virginia Information Technologies Agency supply chain management through the addition of 5.0 full-time employees and 1.0 contractor position.
- **Add Positions for Transition to New Managed Security Services.** Recommends 10.0 positions the second year for the transition to new managed security services.

Positions are needed to support the in-sourcing of cybersecurity functions from the managed security services (MSS) contract. VITA is currently reprocurring the MSS contract and VITA intends to in-source portions of the contract that supports incident response, digital forensics, vulnerability scanning, threat hunting, threat intelligence, phishing, vulnerability management, and threat reporting.

- **Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency (VITA).** Transfers \$5.3 million NGF and 7.0 positions in the second year to move the Office of Data Governance and Analytics (ODGA) to VITA from the Secretary of Administration. ODGA is currently funded via charges assessed to state agencies by VITA.
- **Establish a Joint Subcommittee on Cyber Risk.** Establishes in budget language an information security work group. VITA and the Virginia Fusion Center, in consultation with the Secretaries of Administration, Finance, and Public Safety and Homeland Security, would provide a semi-annual confidential briefing to the Joint Subcommittee on Cyber Risk regarding current and emerging cybersecurity risks to the Commonwealth and recommended risk reduction initiatives. Such briefing shall be confidential and exempt from the Virginia Freedom of Information Act, and all those with knowledge of the briefing information would maintain such confidentiality. The members of the Joint Subcommittee would be designated by the chairs of the House Appropriations and the Senate Finance and Appropriations Committees. It would also include the chairs and vice-chairs (or their designees) of the Joint Legislative Audit & Review Commission and the Joint Commission on Technology and Science, two legislative members of the Information Technology Advisory Council, and other legislative or executive branch staff determined as necessary.

# Agriculture and Forestry

<b>Governor’s Proposed Amendments to Agriculture and Forestry</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$86.6</b>	<b>\$69.6</b>	<b>\$82.4</b>	<b>\$69.9</b>
Proposed Increases	1.1	0.0	3.5	1.7
Proposed Decreases	<u>(&lt;0.1)</u>	<u>0.0</u>	<u>(&lt;0.1)</u>	<u>0.0</u>
\$ Net Change	\$1.1	\$0.0	\$3.5	\$1.7
<b>SB 800, as Introduced</b>	<b>\$87.7</b>	<b>\$69.6</b>	<b>\$85.9</b>	<b>\$71.6</b>

## – Department of Agriculture and Consumer Services

- **Modernize Regulatory Program Platform.** Recommends \$2.9 million GF the second year to implement a registration, licensing, and enforcement system for the Department’s 21 regulatory programs. The funding will be used to upgrade the first two regulatory programs in the multi-year process.
- **Support Inspection and Testing of Electric Vehicle Charging Stations.** Proposes an increase of \$632,211 GF the first year to purchase equipment needed to begin inspection of commercial electric vehicle charging stations.
- **Establish Pasture, Rangeland, and Forage Insurance Premium Assistance Program.** Proposes \$250,000 GF the second year to create a program to reimburse a portion of the annual federal premium paid by livestock producers enrolled in the U.S. Department of Agriculture’s risk management rainfall index insurance program.
- **Replace Outdated Liquid Propane Gas Testing Equipment.** Recommends \$149,500 GF the first year to replace liquid propane gas inspection equipment to meet industry standards.

- **Spirits Promotion Fund.** Recommends an increase of \$178,588 GF over the biennium for deposit to the Virginia Spirits Promotion Fund based on the most recent update of alcoholic beverage tax revenues attributable to Virginia distillers.
- **Wine Promotion Fund.** Proposes a decrease of \$77,848 GF over the biennium to the deposit to the Virginia Wine Promotion Fund based on the most recent update to the wine and cider tax revenues attributable to Virginia farm wineries and cideries.
- **Nongeneral Fund Appropriation Adjustments.** Recommends nongeneral fund appropriation increases totaling \$1.7 million NGF the second year and adjusts spending authority language for several program areas, including the Corn Board, Soybean Board, Horse Industry Board, and Pesticide Services.
- **Clarify Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program.** Proposes updated budget language to clarify that the appropriation for the Blue Catfish Processing Grant Program is part of the Governor’s Agriculture and Forestry Industries Development Fund.

## – Department of Forestry

- **Upgrade Integrated Forest Resources Information System.** Recommends \$270,000 GF the first year and \$232,000 GF the second year to complete upgrades for mission critical systems to address functionality limitations of the 20-year-old system.

# Commerce and Trade

<b>Governor’s Proposed Amendments to Commerce and Trade</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$499.7</b>	<b>\$277.9</b>	<b>\$501.4</b>	<b>\$277.9</b>
Proposed Increases	167.5	0.0	51.5	0.0
Proposed Decreases	<u>(0.4)</u>	<u>0.0</u>	<u>(84.3)</u>	<u>0.0</u>
\$ Net Change	\$167.1	\$0.0	(\$32.8)	\$0.0
<b>SB 800, as Introduced</b>	<b>\$666.8</b>	<b>\$277.9</b>	<b>\$468.6</b>	<b>\$277.9</b>

## – Secretary of Commerce and Trade

- **Savings from Economic Development Funds.** Captures \$4.8 million in savings the first year through a Part 3 transfer to the general fund from cash balances in custom incentive funds. The impacted funds include the Truck Manufacturing Fund, Semiconductor Manufacturing Grant Fund, Special Workforce Grant Fund, Major Eligible Employer Grant Fund, and Advanced Shipbuilding Production Facility Grant Fund. The funding is not needed to meet outstanding performance grant obligations.

## – Economic Development Incentive Grant Payments

- **Virginia Business Ready Sites Program.** Proposes an additional \$50.0 million GF the second year for the Virginia Business Ready Sites Program. The additional support would bring the total funding available to \$70.0 million for site development matching grants.
- **Reauthorize Funding to Reimburse Wythe County.** Recommends \$3.9 million GF the first year to reimburse Wythe County for infrastructure improvements completed in support of an unsuccessful economic development



project. The improvements were completed in accordance with a Memorandum of Understanding with the Virginia Economic Development Partnership.

- **Provide Funding for MEI Approved Custom Performance Grant.** Recommends \$1.4 million GF the second year for an anticipated incentive payment for a project approved by the Major Employment and Investment Commission (MEI) contingent on legislation to be considered by the 2025 General Assembly.
- **Shift Funding for the Inland Port.** Proposes to shift \$2.5 million GF previously approved for development of an inland port in the Mt. Rodgers district from FY 2026 to FY 2025.
- **Update the Virginia Investment Performance Grant.** Recommends a reduction in funding for the Virginia Investment Performance Grant by \$739,600 GF over the biennium to reflect anticipated distributions. In addition, provides budget language to clarify that any excess funds remaining from prior years for previously approved projects shall be reappropriated.
- **Update the Virginia Economic Development Incentive Grant.** Proposes a technical adjustment to add \$30,000 GF the first year and reduce funding by \$300,000 GF the second year to reflect updated incentive payment schedules.
- **Repurpose Incentive Payment and Clarify the Use of Central Virginia Training Center Proceeds.** Proposes a language-only amendment to authorize the Department of General Services (DGS) to use the \$6.0 million GF previously appropriated for an incentive payment for the sale of the Central Virginia Training Center property in Madison Heights, Virginia. The budget language would permit DGS to demolish structures, perform remediation, and market the sale of the site. In addition, it stipulates that proceeds from the sale are to be deposited in the Behavioral Health and Developmental Services Trust Fund.

## – Department of Housing and Community Development

- **Establish and Capitalize the Disaster Assistance Fund.** Proposes \$25.0 million GF the first year to create a new fund to address life, safety, and housing disaster-related costs not covered by federal assistance, private donations, or insurance. In addition to the GF support, the fund would be further capitalized by the proceeds generated from the December 2023 Regional

Greenhouse Gas Initiative auction (\$97.4 million NGF) and interest earned on the auction proceeds to date. The budget language stipulates that distribution from the fund may only be made with authorization by the General Assembly.

- **Establish Early Learning Capital Supply-Building Program.** Recommends \$14.0 million GF the first year and redirects \$1.0 million GF previously provided for a childcare center in the Capitol area for a competitive grant program to be administered by the Department of Housing and Community Development, Department of Education, and State Council of Higher Education for Virginia to increase the supply of early learning spaces for childcare in early learning deserts.
- **Fund Natural Gas Study in Patrick County.** Proposes \$100,000 GF the first year for Patrick County to conduct a natural gas study.
- **Shift Virginia Telecommunication Initiative Funding.** Recommends shifting \$10.0 million GF in support for the program to extend broadband services to currently unserved areas from the second year to the first year. As a result, the program will rely on federal funding going forward since there will no longer be general fund support in the base budget.
- **Shift White Mill Revitalization Funding.** Proposes to shift the \$2.0 million GF provided to the City of Danville for the White Mill revitalization project from the second year to the first year.
- **Eliminate Pilot Housing Programs.** Recommends removing budget language that authorized the Department of Housing and Community Development to establish two pilot housing assistance programs using Low-Income Energy Efficiency Program Fund balances. The eliminated programs include a down payment assistance pilot and a demonstration program for the purchase of manufactured home parks by nonprofits and tenant associations.

## – Department of Energy

- **Funding for Equipment.** Proposes \$225,000 GF the first year to replace outdated geoprobe equipment used for geological data collection.

- **Capture Dominion Energy Rebates.** Includes Part 3 language to transfer \$5.5 million NGF the first year to the general fund. The cash balance was generated through Dominion Energy refunds to the Commonwealth.

#### – **Department of Small Business and Supplier Diversity**

- **Increase Business Certification Capacity.** Proposes \$86,078 GF the second year for 1.0 additional position to process Small, Women-Owned, and Minority-owned (SWaM) business certification applications.
- **Technical Appropriation Adjustments.** Recommends several actions to transfer GF and NGF appropriation between service areas to better align resources and expenditure patterns.

#### – **Fort Monroe Authority**

- **Capital Authorization for Project Administration.** Recommends budget language directing the Department of General Services (DGS) and the Fort Monroe Authority to execute a Memorandum of Understanding allowing for up to \$60,000 annually from the Authority's capital projects to be used by DGS for project management and fiscal services as part of the capital outlay infrastructure upgrades, deferred maintenance, and improvement projects at Fort Monroe.

#### – **Virginia Tourism Authority**

- **Sports Tourism Grant Program.** Proposes \$5.0 million GF the first year to establish an incentive grant program focused on sports tourism. Of this amount, \$500,000 GF is designated for the promotion of a Major League Baseball game in the Bristol area.
- **Southwest Virginia Regional Recreation Authority.** Recommends \$395,000 GF the first year for the Southwest Virginia Regional Recreation Authority to support the Spearhead Trails initiative.
- **St. Paul Visitors Center.** Proposes \$250,000 GF the first year for the Heart of Appalachia Tourism Authority to support the development of the Three Rivers Destination Discovery Center in the town of St. Paul.

## – Virginia Innovative Partnership Authority

- **Life Sciences Initiative.** Recommends shifting \$69.1 million GF from the second year to the first year and provides an additional \$35.0 million GF the first year for life science research initiatives. The amendment includes language creating a taskforce to review and recommend investments in regional initiatives to strengthen Virginia’s Biotechnology, Life Sciences, and Pharmaceutical Manufacturing Industry cluster. The additional support is directed toward:
  - \$5.0 million GF for the City of Roanoke to create advanced laboratory and business incubation space for cell or gene therapy companies;
  - \$12.5 million GF for the University of Virginia to create advanced laboratory space to support the scale-up of fast-growing life sciences companies;
  - \$12.5 million for Virginia State University to support construction of an advanced life sciences training center located in the Crater Planning District Commission region; and
  - \$5.0 million to support a non-profit operating a pharmaceutical manufacturing facility in the Crater Planning District Commission region that will accelerate the development of a fast-acting insulin to increase access and affordability.

# Public Education

<b>Governor's Proposed Amendments to Public Education</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$9,779.7</b>	<b>\$2,501.0</b>	<b>\$9,928.7</b>	<b>\$2,537.0</b>
Proposed Increases	220.8	667.6	160.7	414.3
Proposed Decreases	<u>(61.7)</u>	<u>0.0</u>	<u>(33.4)</u>	<u>0.0</u>
\$ Net Change	\$159.1	\$667.6	\$127.4	\$414.3
<b>SB 800, as Introduced</b>	<b>\$9,938.8</b>	<b>\$3,168.6</b>	<b>\$10,056.1</b>	<b>\$2,951.3</b>

## – Secretary of Education

- **Extend Museum of Transportation Report Date.** Proposes extending the due date of a report on the feasibility and fiscal impact of converting the Virginia Museum of Transportation to a state agency from November 1, 2024, to November 1, 2025.

## – Direct Aid to Public Education

Proposes changes to Direct Aid to Public Education that would result in a net increase of \$46.0 million GF the first year and \$118.3 million GF the second year, totaling \$164.3 million GF across the biennium. This includes routine updates to Direct Aid, which update the cost of Standard of Quality programs and other education inputs based on updated data and projections. Routine updates to Direct Aid for Public Education result in a net increase of \$89.2 million GF over the biennium. Proposed policy changes result in a net increase of \$75.1 million GF over the biennium.

<b>Summary of Proposed Actions for Direct Aid to Public Education</b>			
(GF \$ in millions)			
	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
<b>Routine Updates</b>			
Update Average Daily Membership Projections	\$13.3	\$20.5	\$33.8
Update English Language Learner Data	48.8	61.9	110.7
Update Lottery Proceeds (Supplant with \$63.3 million NGF)	(40.9)	(22.4)	(63.3)
Update Sales Tax Revenue	20.0	18.4	38.4
Update Cost of Lottery Funded Programs	(13.3)	(8.9)	(22.2)
Update Cost of Incentive Programs	(4.5)	(0.4)	(4.9)
Update Remedial Summer School Participation	(2.9)	0.0	(2.9)
Update Sales Tax Distribution for School Age Population	0.0	(1.6)	(1.6)
Update Cost of Categorical Programs	0.3	0.3	0.6
Update Fall Membership in Direct Aid Program Formulas	<u>\$0.3</u>	<u>\$0.3</u>	<u>\$0.6</u>
<b>Subtotal: Routine Updates</b>	<b>\$21.0</b>	<b>\$68.1</b>	<b>\$89.2</b>
<b>Policy Changes - Direct Aid to Public Education*</b>			
Virginia Opportunity Scholarships	\$0.0	\$50.0	\$50.0
Lab School Partnerships with HBCUs	25.0	0.0	25.0
Vision Screening Grants	0.0	0.2	0.2
Savings from CTE Center Consolidation	<u>(\$&lt;0.1)</u>	<u>(\$&lt;0.1)</u>	<u>(\$0.1)</u>
<b>Subtotal: Policy Changes</b>	<b>\$24.9</b>	<b>\$50.1</b>	<b>\$75.1</b>
<i>*Does not include \$270.0 million NGF in support for school construction over the biennium.</i>			
<b>Total, Direct Aid to Public Education</b>	<b>\$46.0</b>	<b>\$118.3</b>	<b>\$164.3</b>
<i>Note: some totals may not add due to rounding.</i>			

– **Routine Updates to Direct Aid to Public Education**

- **Update Average Daily Membership Projections Based on Actual Fall Membership.** Provides an additional \$13.3 million GF the first year and \$20.5 million GF the second year to reflect updated projections based on fall 2024

enrollment data. New Average Daily Membership (ADM) projections total 1,214,292 in FY 2025 and 1,213,645 in FY 2026. This amount is an increase of 2,140 students in FY 2025 and 3,873 students in FY 2026 over the numbers used in Chapter 2, 2024 Special Session I.

- **Update English Language Learner Data.** Includes \$48.8 million GF the first year and \$61.9 million GF the second year to reflect the updated cost of the English Language Learner (ELL) Standards of Quality (SOQ) program, incorporating proficiency level data based on changes made in the 2024 Session.
  - Rising costs are primarily driven by a change in reported student proficiency levels, rather than an increase in the overall number of ELL students identified.
  - In FY 2026, proficiency data shows an increase of 38,344 students identified as proficiency levels one, two, or three while level four or 'other' decreased by 37,742 students as compared to Chapter 2.
  - Overall, fall enrollment identifies 145,105 ELL students in FY 2025 and 154,282 ELL students in FY 2026, an increase of 172 students in FY 2025 and 602 students in FY 2026 over the numbers in Chapter 2.
- **Update Lottery Proceeds for Public Education.** Supplants \$40.9 million GF the first year and \$22.4 million GF the second year with Lottery Proceeds to reflect updated Lottery profits. FY 2024 Lottery profits exceeded Chapter 1, 2024 Special Session I, forecast by \$75.6 million. Based on year-to-date profits in FY 2024, Chapter 2, Special Session I, assumed \$50.0 million from FY 2024 residual profits in the FY 2025 Lottery Proceeds appropriations. Therefore, the updated proceeds of \$943.8 million NGF in FY 2025 recognizes the remaining FY 2024 residual profit of \$25.6 million that was not assumed in Chapter 2, and a \$15.3 million increase in Lottery profits over the fall 2023 forecast. The second year reflects a forecast increase of \$22.4 million, increasing Lottery Profits to \$875.3 million in FY 2026.

<b>Lottery Proceeds Forecast</b>			
(\$ in millions)			
	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
<b>Lottery Proceeds Forecast Chapter 2</b> (FY 2025 assumes \$50.0 million from FY 2024 residuals)	<b>\$902.9</b>	<b>\$852.9</b>	<b>\$1,755.8</b>
<b>Lottery Forecast Fall 2024</b>			
Residual FY 2024 Profits (less \$50.0 million already recognized in Ch 2)	25.6	0.0	25.6
Change in Estimated Fiscal Year Profits	<u>15.3</u>	<u>22.4</u>	<u>37.7</u>
<b>Total Lottery Proceed Forecast, HB 1400/SB 800</b>	<b>\$943.8</b>	<b>\$875.3</b>	<b>\$1,819.1</b>
<b>Difference from Chapter 2 Forecast (GF Offset)</b>	<b>\$40.9</b>	<b>\$22.4</b>	<b>\$63.3</b>

- **Update Cost of Lottery-Funded Programs.** Includes a reduction of \$13.3 million GF the first year and \$8.9 million GF the second year to adjust the amount of state support for Lottery-funded programs based on actual participation data and updated estimates.
- **Update Sales Tax Revenue for Public Education.** Provides \$20.0 million GF the first year and \$18.4 million GF the second year to reflect the latest sales tax forecast. The sales tax revenues from the one and one-eighth cent portion of the sales tax dedicated to public education and distributed based on school aged population are projected to increase \$44.9 million GF in FY 2025 and \$41.4 million GF in FY 2026. These additional sales tax revenues reduce the state's share of SOQ Basic Aid costs by \$24.9 million GF in FY 2025 and \$23.0 million GF in FY 2026. Total net funding to school divisions increases by \$20.0 million GF in FY 2025 and \$18.4 million GF in FY 2026.
- **Update Remedial Summer School Participation.** Includes a reduction of \$2.9 million GF in the first year to reflect actual summer 2024 participation data.



- **Update Sales Tax Distribution for School Age Population.** Includes a reduction of \$1.6 million GF the second year based on the latest estimates of school age population from the Weldon Cooper Center.
- **Update Costs of Categorical Programs.** Provides \$589,175 GF across the biennium to update the costs of certain categorical programs based on updated data.
- **Update Costs of Incentive Programs.** Includes a decrease of \$4.9 million GF across the biennium to update the costs of certain incentive programs based on changes in membership, participation rates, and test scores.
- **Update Fall Membership Data in Direct Aid Program Formulas.** Provides \$563,847 GF across the biennium to update Fall Membership data used in certain Direct Aid program formulas to reflect updated data submitted by school divisions in fall 2024.
- **Adjust Federal Appropriation.** Recommends an adjustment of \$356.7 million NGF each year to reflect an increase in federal appropriations based on new revenue estimates and reimbursement for local school divisions.

## – Policy Changes and Program/Initiative Changes

- **School Construction.** Recommends an increase of \$270.0 million NGF the first year and \$20.0 million NGF the second year to support school construction. This amount includes:
  - \$120.0 million the first year and \$20.0 million the second year from casino tax revenue deposited to the School Construction Fund. This includes a \$20.0 million increase in each year from the revised Lottery revenue estimate and reflects \$100.0 million in FY 2024 from residual FY 2024 casino tax revenue; and
  - \$150.0 million the first year from the Literary Fund to be transferred into the School Construction Fund.
  - With these proposed changes, total funding for school construction would be \$350.0 million the first year and \$100.0 million the second year.

- **Virginia Opportunity Scholarships.** Proposes \$50.0 million GF the second year to establish Virginia Opportunity Scholarships. Grant awards would be \$5,000 per student per academic year to support qualified students in paying the costs of attending an accredited private school in Virginia.
  - “Qualified students” are defined as those who are either eligible to enroll in a public school and attend a public school for at least one-year preceding application for the program or who are starting kindergarten or attending first grade for the first time. The household income of the student cannot be more than twice the federal income eligibility guidelines for free school meals.
  - Directs the Board of Education, in consultation with the Department of the Treasury, to establish program guidelines. The Department of the Treasury would be responsible for administering payments to students.
  - Creates a requirement for the Department of Education to report annually on student participation in the program by Superintendent’s region.
  - Allows unexpended balances as of June 30, 2026, to be reappropriated for the same purpose in the next fiscal year.
  - Funds awarded to students are not considered taxable income for the student to remain eligible to receive scholarships through the Education Improvement Scholarship Tax credit program.
- **Lab School Partnerships with Historically Black Colleges and Universities.** Recommends \$25.0 million GF the first year as a deposit to the College Partnership Laboratory Schools Fund to be used for planning, start-up, and operating grant awards for new lab schools at Historically Black Colleges and Universities (HBCU) in Virginia. Notwithstanding language allows funds to be used at all public and private non-profit HBCUs.
- **Vision Screening Grants.** Proposes an additional \$200,000 GF the second year to increase the appropriation for vision screening grants provided to school divisions, bringing the total second year appropriation to \$719,000.
- **Regional Career and Technical Education Center Consolidation Savings.** Recognizes savings of \$60,000 GF each year of the biennium resulting from the consolidation of regional career and technical education centers in two divisions.

- **Teach for America.** Proposes a language change to clarify that funding appropriated for grants and contracts should be used to cover costs associated with hiring teachers in challenged schools through Teach for America.

## – Department of Education

- **State Assessment Contract.** Recommends an additional \$61.0 million GF the first year and \$5.0 million GF the second year to support a new statewide assessment contract, including funds for one-time transition costs and new ongoing costs.
  - Requires the Department of Education to report to the Secretary of Finance, Secretary of Education, and the Director of the Department of Planning and Budget (DPB) on the costs of this action as compared to the current assessment contract.
  - Funds shall remain unallotted until the report is reviewed by the Secretary of Education, Secretary of Finance, and DPB.
  - Unexpended funds do not revert in FY 2025 or FY 2026 and shall be reappropriated for the same purpose in the following fiscal year.
- **School Performance and Support Framework Resource Hub.** Proposes \$50.3 million GF and 2.0 positions the first year and \$1.0 million GF and 6.0 positions the second year to establish the School Performance and Support Framework Resource Hub within the Office of School Quality. Of this amount:
  - \$250,000 GF the first year and \$1.0 million GF the second year are provided to support regional support specialists focusing on math, literacy, and science to assist in divisions with multiple schools identified as Off Track or Needs Intensive Support; and
  - \$50.0 million GF the first year to support infrastructure, technical training, and evidence-based support for schools identified as Off Track or Needs Intensive Support. Funds must be approved by the Board of Education.
  - Funds shall not revert and are reappropriated in FY 2025 and FY 2026.
  - Funds may be used to support leadership development, mastery and growth supports including grants for schools to partner with non-profits, readiness

supports including an infrastructure platform for academic career plans, new Virginia Individualized Education Plan modules, and a partnership with a research institution to capture best practices from Virginia's high performing economically disadvantaged schools.

- **Virginia's Visualization and Analytics Solution.** Proposes \$1.9 million GF the first year and \$3.1 million GF the second year to support Virginia's Visualization and Analytics Solution, used by local school divisions, which was originally funded with pandemic relief dollars.
- **Life Changing Experiences Program.** Recommends \$500,000 NGF from the Commonwealth Opioid Abatement and Remediation Fund the second year to contract with Children and Parent Resources Group, Inc. for the Life Changing Experiences program, an interactive education program focused on activities that negatively impact teenagers, at up to 50 public schools in the Commonwealth.
- **Increase Maximum Employment Level.** Proposes increasing the Department's maximum employment level by 32.0 positions in the second year for positions funded by existing appropriations.
- **Transfer Department of Social Services Employees.** Recommends transferring 7.0 positions in the second year from the Department of Social Services to the Department of Education. Impacted employees support childcare programs and are funded by federal childcare funds.
- **Increase Federal Appropriation.** Proposes \$14.8 million NGF the second year reflecting an increase in the federal appropriation based on estimated revenues.

## – **Early Childhood Education**

The introduced budget proposes changes to program requirements for the three early childhood care and education programs: the Child Care Subsidy Program (CCSP), Mixed Delivery, and the Virginia Preschool Initiative (VPI). Proposed changes increase the number of slots by about 3,600 but do not result in any changes to general fund investment. These changes include:

- **Family Copayment Requirements.** Recommends that family copayment rates for CCSP and Mixed Delivery in fiscal year 2026 are changed to \$5 per month for

households with an income below 100.0 percent of the federal poverty level and up to seven percent of annual income for all other households. Total copayments for families cannot exceed seven percent of household income. These proposed changes would create an estimated 3,000 slots across the two programs and were a recommendation of the Commission on Early Childhood Care and Education.

- **Parental Work Requirements.** Proposes that parental work requirements for CCSP and Mixed Delivery in fiscal year 2026 must include a time limit of 90 days for job search. Households may be eligible for up to one extension for extraordinary circumstances, which are to be defined and tracked by the Department of Education. This change would not create any new slots, but it could create turnover for working families on the waitlist. This was a recommendation of the Commission on Early Childhood Care and Education.
- **Remove Local Composite Index Cap on VPI.** Recommends removing the cap on the local composite index used to calculate state and local funding for VPI in FY 2026. Currently, the local share for VPI is capped at 0.5000 in all localities, regardless of their calculated local ability-to-pay. This increases local funding for VPI by \$7.8 million and reduces GF by a like amount. The GF savings are used to support CCSP, creating an estimated 687 slots.
  - Removing the LCI cap was also proposed in the Governor’s Introduced Budget in the 2024 Session, but this change was not included in Chapter 2.
- **Restrict CCSP Enrollment to Birth-to-Five.** Proposes restricting enrollment in CCSP to birth-to-five children and not enrolling any new school-aged children beginning on July 1, 2025. Exceptions may be made for school-age children who qualify as ‘hard-to-serve,’ which must be defined by the Department of Education by July 1, 2025.
  - Directs the Superintendent of Public Instruction, in partnership with the Secretary of Education and in consultation with the Early Childhood Care and Education Commission, to establish a workgroup to review the current structure of publicly funded out-of-school time learning and extracurricular programs and then make recommendations on how to position Virginia as a leader in supporting working families with school-age children. The workgroup

must also make recommendations about whether school-age children should be allowed to resume enrollment in CCSP.

- Proposed workgroup members include representatives from school divisions, 21<sup>st</sup> Century Learning grantees, private childcare providers, the Virginia Partnership for Out-of-School Time, local Parks and Recreation entities, the YMCA, Communities in Schools, the Boys and Girls Clubs, and other non-profit organizations that provide out-of-school time programming.
- Findings and recommendations would be due to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 1, 2025.
- **Review Attendance Requirements.** Recommends directing the Department of Education to revise attendance requirements for CCSP, Mixed Delivery, and VPI to ensure that participating children are fully benefiting and that available resources are maximized. The Mixed Delivery revisions must be made in consultation with the Virginia Early Childhood Foundation.
- **CCSP Transfer Language.** Proposes language specifying that the Department of Education and the Department of Social Services shall determine the amount of funding to be transferred to the Department of Social Services in support of budgeted CCSP slots.

# Higher Education

<b>Governor’s Proposed Amendments to Higher Education</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$3,615.0</b>	<b>\$11,947.9</b>	<b>\$3,618.6</b>	<b>\$12,323.6</b>
Proposed Increases	57.7	68.3	85.9	470.0
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(1.2)</u>
\$ Net Change	\$57.7	\$68.3	\$85.9	\$469.8
<b>SB 800, as Introduced</b>	<b>\$3,672.7</b>	<b>\$12,016.2</b>	<b>\$3,704.5</b>	<b>\$12,793.4</b>

The introduced budget proposes a total net increase of \$143.6 million GF and \$538.1 million NGF. Of the GF amounts, \$53.6 million over the biennium is proposed for new initiatives and the remaining \$90.0 million appropriates funds contingently reserved in Chapters 3 and 4, 2024 Special Session I from FY 2024 excess revenues for the Virginia Military Survivors and Dependents Education Program (VMSDEP). Of the NGF amounts, the budget proposes an additional \$120.0 million from VA529 defined benefit actuarial surplus funds to support the VMSDEP program. The remaining amounts are primarily adjustments to reflect anticipated revenues in the areas of state health services provided through UVA Medical Center and VCU Health, sponsored research, higher education operations, and auxiliary services.

## Summary of Higher Education Actions

(GF \$ in millions)

	FY 2025	FY 2026	Biennium
<b>Major Spending and Systemwide Programs</b>			
SCHEV - VMSDEP Waiver (from FY 2024 excess revenues) *	\$45.0	\$45.0	\$90.0
VCCS - College and Career Ready Virginia	0.0	15.0	15.0
SCHEV - Nursing Grant Program	0.0	12.0	12.0
SCHEV - VMSDEP Stipend	2.3	7.1	9.4
SCHEV - Workforce Credential Grant	0.0	3.5	3.5
SCHEV - Tuition Assistance for Nursing Students at Hispanic-Serving Institutions	<u>0.0</u>	<u>1.5</u>	<u>1.5</u>
<b>Subtotal: Major Spending and Systemwide Programs</b>	<b>\$47.3</b>	<b>\$84.1</b>	<b>\$131.4</b>
<b>Other Higher Education Spending</b>			
ODU - Student Lifecycle Pathways Initiative	5.0	0.0	5.0
SCHEV - Data Analysis and Visualization	0.0	0.2	0.2
SCHEV - VLDS System Costs	0.0	0.5	0.5
VCU - Massey Cancer Research	4.0	0.0	4.0
VIMS - Advance Breeding Program for Shellfish	0.0	0.4	0.4
VIMS - Coastal Resilience Forecasting	0.0	0.5	0.5
Virginia Tech - Ext. - Agricultural Equipment	0.8	0.0	0.8
RHEC - IT Enhancements	0.4	0.0	0.4
SVHEC - Regional Allied Health Simulation Lab	<u>0.2</u>	<u>0.2</u>	<u>0.4</u>
<b>Subtotal: Other Higher Education Spending</b>	<b>\$10.4</b>	<b>\$1.8</b>	<b>\$12.2</b>
<b>Total</b>	<b>\$57.7</b>	<b>\$85.9</b>	<b>\$143.6</b>
<p>*Amount was included in Chapter 2, 2024 Special Session I from excess general fund revenue. Does not include an additional \$60.0 million NGF per year from VA529 Defined Benefit Surplus funds managed by Commonwealth Savers Plan (formerly VA529).</p>			

### – Higher Education Major Spending and Systemwide Programs

- **State Council of Higher Education for Virginia (SCHEV) - Virginia Military Survivors and Dependents Program (VMSDEP).**
  - Proposes an additional \$105.0 million each year to SCHEV to allocate funds to institutions to offset the impact of VMSDEP tuition waivers.



- Of the amounts, \$60.0 million NGF each year from the VA529 Defined Benefit actuarial surplus funds managed by the Commonwealth Savers Plan (formerly VA529) and \$45.0 million GF each year reserved from excess 2024 general fund revenue provided in Chapters 3 and 4, 2024 Special Session I.
- Funds are expected to be ongoing for the next biennium, increasing total tuition waiver support to \$125.0 million annually.
- Language permits the Council to provide preliminary allocations of up to 60.0 percent of the estimated impact to each institution in each fiscal year and requires the remaining amount to be distributed based on data available prior to the close of the fiscal year.
- Recommends \$2.3 million GF the first year and \$7.1 million GF the second year to support the VMSDEP stipend program that supports students based on expected growth in enrollment.
  - Language includes changing the date for SCHEV to report the number of recipients in the program to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees from May 15<sup>th</sup> to June 30<sup>th</sup> of each year.
- **SCHEV – Nursing Grant Program.** Proposes \$12.0 million GF the second year for competitive grants to increase the number of nursing graduates in Virginia from public institutions of higher education through accelerated or advanced degree programs that attract and retain nursing students and nursing faculty.
  - Language requires SCHEV to establish guidelines, establish performance outcomes, and monitor performance in consultation with the Secretary of Education, the Department of Health Professions, and the Department of Planning and Budget and to report by October 1<sup>st</sup> of each year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the outcomes and effectiveness of awarded funds.
- **SCHEV – Tuition Assistance for Nursing Students at Hispanic-Serving Institutions.** Proposes \$1.5 million GF the second year for students enrolled in an

undergraduate or graduate nursing program at any institution that is eligible to receive a tuition assistance grant (TAG) and is designated by the U.S. Department of Education as a Hispanic-Serving Institution (HSI). Students are eligible to receive an award of up to \$2,500.

- Students are required to: (i) meet the domicile requirements for Virginia, (ii) complete a Free Application for Federal Student Aid (FAFSA), and (iii) be eligible to receive federal financial aid.
- Currently, Marymount University is the only TAG-eligible institution designated as an HSI. Eligible students currently receive a TAG award up to \$5,250 the second year for undergraduates and \$5,000 for graduates. The combined award would provide up to \$7,750 for eligible undergraduate and \$7,500 for graduate nursing students.
- **SCHEV – Workforce Credential Grant Program.** Proposes \$3.5 million GF the second year to support pay-for-performance noncredit industry-based credential training through the community colleges (branded as FastForward) and higher education centers based on anticipated demand.
- **Virginia Community College System (VCCS) – College and Career Ready Virginia.** Proposes an additional \$15.0 million GF the second year to support the College and Career Ready Virginia (CCRV) Program and Fund through the VCCS. The Program is intended to support dual enrollment courses provided at no cost to high school students.
  - In addition, \$20.0 million in balances from the Get Skilled, Get a Job, Give Back Program (G3) are proposed for transfer to the Fund in FY 2026.
  - Budget language proposes overriding the Code of Virginia and authorizing CCRV to support high school students completing noncredit workforce training and credentialing programs authorized under the FastForward Program. These programs are to be offered at no cost to students and school divisions.
  - Language excludes the VCCS from seeking reimbursements for public high school students enrolled in the FastForward program through SCHEV under the New Economy Workforce Credential Grant Program.

- **Maintain Affordable Access – Tuition Freeze for FY 2026 and Ongoing Tuition Cap to Inflation or 2.5 Percent.** Proposes language to freeze tuition and mandatory educational and general (E&G) fee increases for in-state undergraduate students at public institutions in FY 2026 at the FY 2025 levels and limits increases thereafter to the lower of 2.5 percent or the change in the U.S. Average Consumer Price Index for All Urban Consumers (CPI-U).
  - Requires SCHEV to certify whether each institution has met the tuition requirement and to report its findings to the Governor, the Secretary of Education, and the Director of the Department of Planning and Budget by September 1<sup>st</sup> of each year.

## – Other Higher Education Spending

- **Old Dominion University – Student Lifecycle Pathways Initiative.** Recommends \$5.0 million GF the first year in one-time funding through sponsored programs to support the Student Lifecycle Pathways Initiative that focuses on enrollment and retention.
- **SCHEV**
  - **Data Analysis and Visualization.** Proposes \$161,589 GF the second year and 1.0 position to support the Council's increasing work in providing and validating data for institutions and state-level decision makers.
  - **Virginia Longitudinal Data System (VLDS).** Recommends \$504,360 GF the second year to support increased costs required to maintain the system.
  - **Financial Aid Due Dates.** Proposes changes to the reporting due dates to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees for the VMSDEP Stipend Program from May 15<sup>th</sup> to June 30<sup>th</sup> and the Pell Initiative from October 1<sup>st</sup> to November 1<sup>st</sup> of each year.
- **Virginia Community College System – Language Adjustment.** Recommends a language adjustment to clarify that Patrick Henry Community College serves as the fiscal agent for the A.L. Philpott Manufacturing Extension Partnership established in the Code of Virginia and doing business as GENEDGE Alliance.

- **Virginia Commonwealth University – Massey Cancer Center.** Recommends \$4.0 million GF the first year to provide one-time funds to support cancer research.
- **VIMS – Virginia Institute of Marine Science.**
  - **Advance Breeding Program for Shellfish.** Proposes \$425,104 GF the second year and 2.85 positions to support the Aquaculture Genetics and Breeding Technology Center at Virginia Institute of Marine Science. The Center specializes in research related to oyster aquaculture and coordinates its work with the Virginia Marine Resources Commission.
  - **Coastal Resilience Forecasting.** Recommends \$484,668 GF the second year and 4.0 positions to establish a world-class environmental forecasting center and expand forecasting capabilities to support coastal resilience efforts.
- **Virginia Tech Extension – Agricultural Equipment.** Recommends \$750,000 GF in one-time funding the first year to invest in innovative agricultural equipment.
- **New College Institute (NCI) – Sustainability Plan.** Proposes that the Board of Directors of NCI develop a sustainability plan in collaboration with regional public and private entities and includes language proposing that no funding will be provided for NCI in the 2026-2028 biennium.
  - Requires reporting to the Governor, the Chair of the Senate Finance and Appropriations Committee, and the Chair of the House Appropriations Committee no later than August 1, 2025, on the sustainability plan to include options to (1) continue operation as an independent public entity with the existing operating structure; (2) partner with additional public and/or private entities offering degree or certificate completion; (3) close the facility; and (4) merge with another public entity.
- **Roanoke Higher Education Center (RHEC) – IT Enhancements.** Proposes \$441,172 GF in one-time funding the first year to support IT enhancements at RHEC. The amounts include \$213,410 for fiber infrastructure, \$156,166 for an updated cloud-based security system, and \$71,596 for power supply units.
- **Southwest Virginia Higher Education Center (SWVHEC) – Regional Allied Health Simulation Lab.** Recommends operating support of \$200,000 GF and 1.0 position each year for the new Regional Allied Health Simulation Lab at

SWHEC to support healthcare programs from partnering colleges, universities, and local school divisions.

– **Nongeneral Fund Spending**

- **Adjustments to Reflect Institution Expected Revenue and Transfer of VA529 Defined Benefit Surplus Funds.** Proposes a total of \$538.1 million in NGF spending. Of the amount, \$418.1 million is for adjustments to institutional budgets to reflect expected revenue and includes transfers to appropriate program accounts. The remaining \$120.0 million is proposed as a transfer of funds from the VA529 Defined Benefits Surplus to support the VMSDEP Program, which is proposed to be an ongoing transfer to support the waiver program costs.

<b>Summary of Higher Education Nongeneral Fund Actions</b>			
(\$ in millions)			
	<b>FY 2025</b>	<b>FY 2026</b>	<b>Biennium</b>
<b>Transfer of Funds</b>			
SCHEV – VMSDEP from VA529 Defined Benefits Surplus	60.0	60.0	120.0
<b>Adjustments to Align with Expected Revenue</b>			
JMU –Sponsored Programs	0.0	1.6	1.6
Longwood - Sponsored Programs	0.0	0.2	0.2
NSU – Auxiliary Enterprises	0.0	15.0	15.0
UVA – Medical Center – State Health Services	8.3	120.4	128.8
UVA – Instruction	0.0	35.4	35.4
UVA – Operations and Maintenance	0.0	10.8	10.8
UVA – Wise – Sponsored Programs	0.0	6.9	6.9
UVA – Wise – Instruction	0.0	1.4	1.4
UVA – Wise Auxiliary Enterprises	0.0	0.8	0.8
VCCS – Auxiliary Enterprises	0.0	(20.0)	(20.0)
VCCS – Economic Development Services	0.0	20.0	20.0
VCU – Higher Education Instruction	0.0	(21.0)	(21.0)
VCU – Student Financial Assistance	0.0	21.0	21.0
VCU – Sponsored Programs	0.0	31.0	31.0
VCU – State Health Services	0.0	15.0	15.0
VCU – Auxiliary Services	0.0	15.0	15.0
Virginia Tech – Higher Education Operating	0.0	40.5	40.5
Virginia Tech – Sponsored Programs	0.0	68.3	68.3
Virginia Tech – Student Financial Assistance	0.0	11.9	11.9

### Summary of Higher Education Nongeneral Fund Actions

(\$ in millions)

Virginia Tech – Auxiliary Services	0.0	17.9	17.9
VSU – Sponsored Programs (Federal Appropriation)	0.0	5.0	5.0
VSU – Sponsored Programs	0.0	1.5	1.5
VSU – Auxiliary Services	0.0	22.0	22.0
VSU – Extension – Federal Appropriation	0.0	1.0	1.0
VSU – Extension – Research and Public Services	0.0	0.4	0.4
SVHEC	<u>0.0</u>	<u>(1.2)</u>	<u>(1.2)</u>
<b>Total</b>	<b>\$68.3</b>	<b>\$469.8</b>	<b>\$538.1</b>

# Other Education

<b>Governor’s Proposed Amendments to Other Education</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$93.2</b>	<b>\$61.6</b>	<b>\$92.5</b>	<b>\$61.6</b>
Proposed Increases	5.4	0.0	0.0	4.8
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$5.4	\$0.0	\$0.0	\$4.8
<b>SB 800, as Introduced</b>	<b>\$98.6</b>	<b>\$61.6</b>	<b>\$92.5</b>	<b>\$66.4</b>

## – The Library of Virginia

- **Print Collections Inventory Control Project.** Proposes \$5.2 million GF the first year to support the Print Collections Inventory Control Project to create an electronic inventory of print collections in preparation for off-site relocation and storage.
- **Circuit Court Records Program.** Recommends a technical adjustment of \$4.8 million NGF the second year to reflect increased revenue from court recordation fees that are used to support circuit court records preservation.

## – Virginia Museum of Fine Arts

- **Digital Education and Collection Resources.** Recommends \$248,909 GF the first year to support the redevelopment of the agency’s website to benefit educators with content aligned to the Standards of Learning.

# Finance

<b>Governor's Proposed Amendments to Finance</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$2,158.2</b>	<b>\$672.4</b>	<b>\$2,187.3</b>	<b>\$673.5</b>
Proposed Increases	1,530.9	0.0	13.4	0.2
Proposed Decreases	<u>(12.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$1,518.8	\$0.0	\$13.4	\$0.2
<b>SB 800, as Introduced</b>	<b>\$3,677.1</b>	<b>\$672.4</b>	<b>\$2,200.8</b>	<b>\$673.7</b>

## – Department of Accounts

- **Add Additional Positions to Support Agency Operations.** Proposes \$2.2 million GF and 14.0 positions the second year to support agency operations in finance and administration, general accounting, payroll operations, statewide small purchase charge cards oversight, and information security. The following table contains the cost by position type:

<b>Agency Operations Support Positions</b>		
<b>Position Title</b>	<b>Positions</b>	<b>FY 2026 GF</b>
Executive Assistant	1.0	\$112,164
Finance and Administration Analyst	1.0	136,758
General Accounting Lead Analyst	1.0	149,055
Assistant Director	2.0	384,188
Payroll Operations Assistant Director	1.0	192,094
Small Purchase Charge Card Analyst	2.0	261,219
General Accounting Analyst	4.0	547,032



<b>Agency Operations Support Positions</b>		
<b>Position Title</b>	<b>Positions</b>	<b>FY 2026 GF</b>
Cybersecurity Position	1.0	179,797
Information Technology Analyst	1.0	228,985

- **Fund Improvements to Information Technology.** Recommends \$467,131 GF the second year to upgrade the Department of Account’s server environment to ensure compliance with statewide information technology requirements, fund a firewall to enhance agency cybersecurity protections, and enhance security for internal applications.

– **Department of Accounts Transfer Payments**

- **Appropriate Revenue Reserve Fund Deposit.** Proposes \$294.5 million GF the first year for the statutorily required deposit to the Revenue Reserve Fund in FY 2025 based on actual tax collections in FY 2024.

The proposed transfer adjustments in SB 800 assume a \$203.0 million transfer to align the combined balance of the Revenue Reserve Fund and Revenue Stabilization Fund to the 15.0 percent limit of certified tax revenues as required by the Code of Virginia. The current Appropriation Act provides for a combined limit of 17.5 percent the first year and 15.0 percent the second year. This action would increase total transfers from reserves to \$1.0 billion by the end of the 2024-26 biennium.

- **Provide Funding for Car Tax Credits.** Recommends \$1.1 billion GF the first year for the creation of car tax relief credits for income tax purposes beginning in tax year 2025. Budget language provides for this funding to be deposited into a non-reverting fund. Language in the additional enactments of the budget creates a refundable income tax credit of \$150 for single individuals and \$300 for married persons whose federal adjusted gross income does not exceed \$50,000 for single individuals or \$100,000 for married persons filing jointly. The credit is applied to the actual amount of personal property tax paid to a locality. However, the credit is not applicable to taxpayers living in localities that have increased their personal

property tax by 2.5 percent or higher over the prior year. The income tax credit is expected to be funded by the proposed appropriation for FY 2026 through FY 2028. In FY 2029 and beyond, it is assumed the credit's negative revenue impact of about \$380.0 million GF annually would be in the official forecast.

## – Department of Taxation

- **Fully Fund the Replacement of Revenue Management System.** Proposes \$131.0 million GF the first year for the replacement of the Integrated Revenue Management System (IRMS). The current system is 25 years old and based on outdated technology. This system is the core tax processing and tax accounting system used by the Virginia Department of Taxation (TAX), processing approximately 12 million tax returns and generating annual revenues of close to \$36.0 billion, contributing to 95.0 percent of the Commonwealth's General Fund revenue. Budget language is included to allow the funds to carryover each year as the system is implemented.
- **Fund Replacement of Unsupported Information Technology Systems.** Recommends \$1.5 million GF the first year and \$3.2 million GF the second year for the replacement of four information technology systems. These critical systems are nearing the end of life and include the Payment Processing System for processing tax checks, Web Upload for business taxpayers, eForms for the electronic forms taxpayers use to file taxes, and the Professional Audit Selection System.
- **Provide Funding for Additional Personnel.** Includes \$2.3 million GF the second year for additional personnel for the error resolutions and appeals divisions. The Error Resolution Unit handles secondary review of tax returns and payments, and the Appeals and Rulings Division is responsible for the administrative appeals process. Reducing the backlog in these divisions would reduce the accrual of refund interest. The Department of Taxation estimates that this proposal would increase general fund revenue by approximately \$16.7 million over a three-year period due to a reduction in the accrual of refund interest. Increased costs in information technology have caused TAX not to fill vacancies in these divisions, which has led to backlogs in work. The proposed budget assumes a revenue increase of \$2.3 million GF from these positions in FY 2026.

- **Implement Security Initiatives.** Proposes \$400,000 GF the first year and \$1.8 million GF and 3.0 positions the second year to implement information technology security initiatives. The funding would be used for data center security updates, the creation of a data catalog, and three information technology security positions.
- **Fund Postage Cost Increase.** Recommends \$564,244 GF the first year and \$745,322 GF the second year for increased postage costs. TAX mails approximately 3.9 million letters a year. Since January 2019, the United States Postal Service has increased postage rates six times. Overall, the rate has increased from 55 cents to 73 cents for U.S. domestic letters.
- **Fund State Land Evaluation and Advisory Council.** Proposes \$136,038 GF the second year to increase the scope of the existing memorandum of understanding between TAX and Virginia Tech regarding the State Land Evaluation and Advisory Council duties. This funding will be used to develop open space values.
- **Amend Refund Procedures for Internet Service Providers Exemption.** Recommends amending budget language for refund procedures for internet service providers exemption. Currently, internet service providers are required to pay sales tax and subsequently seek a refund for exempt purchases instead of requiring them to follow the ordinary practice of applying for and using exemption certificates for exempt purchases. This would be less burdensome to impacted taxpayers, as they would be permitted to use an exemption certificate at point-of-sale rather than paying the upfront costs and requesting a refund. The proposed budget assumes \$2.0 million in GF revenue generated by reducing the amount of refund interest paid.

## – Department of the Treasury

- **Add Staffing for Trust Accounting Unit.** Proposes \$114,092 GF and \$38,031 NGF and 1.0 position the second year in trust accounting to address the capabilities to prepare key deliverables and to ensure adequate succession planning.
- **Fund Staff to Make Investments in Information Technology.** Recommends \$100,605 GF, \$100,605 NGF, and 1.0 position the second year for an information technology specialist position to expand the functionality of the funds

management system. The funding supports associated costs for training, computer hardware, and computer software.

- **Subscribe to Disaster Recovery Services.** Proposes \$32,407 GF and \$38,043 NGF to subscribe to the Virginia IT Agency's disaster recovery services to recover information technology infrastructure in the event of a critical system failure.

## – **Treasury Board**

- **Adjust Debt Service.** Recommends capturing \$12.1 million GF the first year in savings and adding \$2.3 million GF the second year in debt service payments for bonds issued by the Virginia Public Building Authority and the Virginia College Building Authority.

# Health and Human Resources

<b>Governor’s Proposed Amendments to Health and Human Resources</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$9,821.4</b>	<b>\$21,133.5</b>	<b>\$10,181.7</b>	<b>\$22,353.8</b>
Proposed Increases	421.1	1,398.9	514.7	1,092.0
Proposed Decreases	<u>(64.1)</u>	<u>(57.6)</u>	<u>(13.8)</u>	<u>(145.6)</u>
\$ Net Change	\$357.0	\$1,341.4	\$500.8	\$946.5
<b>SB 800, as Introduced</b>	<b>\$10,178.4</b>	<b>\$22,474.8</b>	<b>\$10,682.6</b>	<b>\$23,300.3</b>

## – Secretary of Health and Human Resources

- **Raise Awareness of Maternal Health Warning Signs.** Proposes \$500,000 GF the first year for a media campaign to raise awareness of potential life-threatening warning signs during and after a woman’s pregnancy.
- **Enhance the Collegiate Experience for Individuals with Developmental Disabilities.** Recommends \$100,000 GF the first year to develop a plan to enhance the collegiate experience for individuals with developmental disabilities. Development of this plan would likely require future funding to implement.

## – Children’s Services Act

- **Fund Children’s Services Act Forecast.** Proposes \$37.0 million GF the first year and \$68.3 million GF the second year to fund projected growth in services provided through the Children’s Services Act. Cost increases are expected due to increased caseload and rate increases. The caseload increased to 15,923 in FY 2024 from 15,032 in FY 2023. Overall expenditures in FY 2024 increased 14.5 percent over FY 2023. The latest expenditure forecast from the Department

of Planning and Budget projects growth of 10.7 percent in FY 2025 and 9.5 percent in FY 2026. Private day special education remains the primary driver of the growth in costs with an increase of 315 children for FY 2024 adding \$17.5 million to the total costs of the program. The expenditure forecast also reflects rate increases in foster care maintenance and psychiatric residential treatment facility services.

- Additionally, language is proposed to limit annual growth in state reimbursement for the cost of private day special education services to 2.5 percent beginning in FY 2026.
- **Increase Administrative Budget for Essential Functions.** Recommends \$58,540 GF the second year in administrative funding in order to account for increases in contracting costs for information technology and risk management services.
- **Eliminate Supplemental Funding Model.** Proposes budget language to modify the current funding model for reimbursement for services provided through the Children's Services Act (CSA) by consolidating the separate base and supplemental allocations into a single pool available to reimburse localities for eligible expenses. The current process is no longer required due to a change in funding for the CSA state pool, which once relied on other state agencies to fund the pool. The CSA pool is now funded with general fund appropriation directly from the Appropriation Act, and it no longer relies on other agencies to fund local reimbursements. As a result, the allocation and supplement language is no longer needed to manage CSA appropriation at the local level. The administration states that this change does not impact local match rates.

## – **Department for the Deaf and Hard-of-Hearing**

- **Fund Interagency Contract Costs for Essential Administrative Services.** Recommends \$74,544 GF the second year for contract cost increases for administrative, fiscal, and information technology services provided by the Department for Aging and Rehabilitative Services.
- **Study Anticipated Digital Transition for Virginia Relay Center.** Proposes \$50,000 GF the first year and budget language directing the agency to produce a report on the transition from analog to digital telecommunication relay services,

including fiscal and legislative impacts. One-time funding support is included for the agency to contract with a third party to assist in developing the report.

- **Add Position for Full-Time Deaf Mentor Coordinator.** Recommends adding 1.0 position to hire a deaf mentor coordinator, who will support training, recruitment, and program development efforts in the agency's Deaf Mentor Program. The position will be supported through existing GF appropriation.

## – Department of Health

- **Fund Perinatal Health Hub Pilot Programs.** Recommends \$2.5 million GF the second year to pilot perinatal health hub programs throughout Virginia. Two-year grants for community-based providers will be awarded to improve perinatal outcomes and to reduce maternal and infant mortality.
  - Would direct the Virginia Department of Health (VDH), in consultation with the Department of Medical Assistance Services, to establish grant application and selection criteria including: (i) a description of how funds will be used and a description of services provided; (ii) a description of populations served; (iii) a requirement for collaboration with local and regional stakeholders; and (iv) a plan for future sustainability.
  - Proposes VDH report to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on or before June 30, 2026, on participating providers and program outcomes and effectiveness.
  - Would authorize any unused funds not expended by June 30, 2025, to be carried forward and reappropriated.
- **Support for Compliance with Drinking Water Regulations.** Proposes \$1.8 million GF the second year to ensure compliance with state and federal drinking water regulations and to support the Office of Drinking Water programs. Funding supports additional positions for 1.0 cyber security specialist, 1.0 senior accountant, 7.0 environmental engineers, and 6.0 environmental health technical specialists. The agency's current position level is sufficient to accommodate these positions.

- Language requires the Office of Drinking Water to report on actions taken to maintain compliance with state and federal regulations to the Chairs of House Appropriations and Senate Finance and Appropriations Committees by October 1, 2025.
- **Support for the Division of Disease Prevention.** Recommends \$1.0 million GF the second year to partially support previously federally funded positions in the Division of Disease Prevention, which handles HIV/AIDS, viral hepatitis, and other sexually transmitted infections (STD). The supplemental federal funds were rescinded from the Center for Diseases Control cooperative agreement PS19-1901: Strengthening STD Prevention and Control for Health Departments as part of the federal Fiscal Responsibility Act of 2023.
- **Fund Community Health Workers and Doulas in Local Health Districts.** Proposes an additional \$1.0 million GF the second year to support community health workers and doulas at Virginia’s local health districts. Funding would support 8.0 to 10.0 positions. The agency’s current position level is sufficient to accommodate these positions. The agency is directed to prioritize supporting community health worker and doula positions at local health districts that serve localities with the highest rates of maternal mortality. This action increases total GF appropriation over the biennium to \$7.4 million GF for community health workers and doulas.
- **Support for Home Care Organization Licensure Program.** Proposes \$853,098 GF the second year to fund 6.0 positions and necessary travel costs to support the Home Care Organization (HCO) Licensure Program’s biennial inspection workload. The agency’s current position level is sufficient to accommodate these positions. As of June 2024, 97.0 percent of HCOs had not been inspected in at least two years because growth in the HCO Licensure Program has outpaced staffing levels.
- **Support for IT Security Audits and Mandatory Investigations.** Recommends \$847,529 GF the second year for 7.0 additional financial and information technology auditors to address an increase in workload. The agency’s current position level is sufficient to accommodate these positions.



- **Fund Local Health Department Rent Increases.** Proposes \$546,266 GF and \$421,680 NGF the second year to offset increased rent costs in the Piedmont, Eastern Shore, Southside, Central Shenandoah, New River, Chesterfield, Prince William, Rappahannock, and Virginia Beach Health Districts.
- **Fund Electronic Health Records System.** Recommends \$500,000 GF the second year to support the initial ongoing costs of an electronic health record (EHR) system at the pilot sites. This initiative will improve communication between patients and providers and help providers work more efficiently. Proposed funding would cover fees and hardware costs at the pilot sites in the second year. The funding need is expected to reach \$10.0 million GF per year beginning in FY 2027. Additional funding is proposed to be used to complete the full pilot and implementation of EHR and to sustain ongoing operation and maintenance costs once EHR goes live.
- **Establish the Large Animal Veterinary Loan Repayment Program.** Recommends \$450,000 GF the second year to provide loan repayments for large animal veterinarians operating in Virginia. The program would provide up to \$80,000 in loan repayment to recipients in exchange for a 4-year obligation to practice in a designated veterinary shortage area, as designated by Virginia Department of Agriculture and Consumer Affairs data.
- **Support for Intermediate Disciplinary Actions for Medical Care Facilities.** Proposes \$319,883 GF the second year to establish and administer uniform options for interdisciplinary actions for hospitals, nursing homes, hospices, home care organizations, managed care health insurance plan licensees, and private review agents. Funding would be used to hire 2.0 positions. The agency's current position level is sufficient to accommodate these positions. This funding is associated with proposed legislation.
- **Implement Rainwater Harvesting System Regulations.** Proposes \$118,551 GF each year to implement rainwater harvesting system regulations and associated database costs, pursuant to Chapter 817, 2018 Acts of Assembly. Regulations provide standards for the use of rainwater harvesting systems, including systems that collect rainwater for human consumption.

- **Complete Opioid Impact Reduction Registry.** Recommends \$100,000 NGF the second year from the Commonwealth Opioid Abatement and Remediation Fund for one-time costs associated with the development of the Opioid Impact Reduction Registry, which is required by the third enactment of Chapter 631, 2023 Acts of Assembly.
- **Reduce Excess Federal Appropriation.** Reduces \$68.1 million NGF the second year in excess federal appropriation related to excess pandemic relief funding the agency will be unable to expend.

### ***Language***

- **Restrict Taxpayer Funding for Abortion Services.** Proposes to limit expenditures from general or nongeneral fund sources to be used for providing abortion services to only those permitted under federal law. This language overrides state law which allows state funds to be used for providing abortion services where the fetus is believed to be born with a gross and totally incapacitating physical deformity or mental deficiency.
- **Amend the State Pharmaceutical Assistance Program to Access HIV Prevention Medication.** Recommends language to amend the State Pharmaceutical Assistance Program to allow funds to be used for the purchase of medications, co-insurance payments, and other out-of-pocket costs for individuals served by the VDH's HIV Pre-Exposure Prophylaxis (PrEP) and non-occupational Post Exposure Prophylaxis (n-PEP) programs to prevent HIV infection. The proposed language would allow VDH to use funds for medications to both prevent and treat HIV and would have no general fund impact.
- **Increase Vital Records Fee for Expedited Records.** Proposes increasing the amount charged for expedited records from \$48.00 to \$53.00 to cover increased service costs, including shipping costs. This will not increase the Division of Vital Records' revenue as these funds are paid to the shipping company.
- **Remove Language Prohibiting Change to EMS Council Regional Boundaries.** Recommends eliminating language prohibiting the Board of Health from modifying the boundaries of emergency medical services (EMS) regional councils. EMS regional councils' designated service areas have not been altered since 2008. Currently, EMS regional councils operate with 11.0 designated service areas which

is inconsistent with other state agencies with which they interact such as Department of Fire Programs, Department of Emergency Management, and Virginia State Police.

- **Update Language for the Virginia Center for Health Innovation.** Proposes language to specify the current funding allocation of \$816,750 GF each year for the Virginia Center for Health Innovation.

## – Department of Health Professions

- **Appropriate Legal Proceeds.** Proposes \$575,000 NGF the second year to establish an appropriation to reflect settlement funds from legal proceeds.
- **Add Emergency Regulatory Language for Peer Recovery Specialist-Trainees.** Recommends emergency regulatory language for the Board of Counseling to regulate peer recovery specialist-trainees. This language also allows the Department of Medical Assistance Services to reimburse individuals who are not yet certified but are completing their required supervision in order to become certified as a peer recovery specialist.

## – Department of Medical Assistance Services

### *Forecasts*

- **Medicaid Utilization and Inflation.** Proposes \$337.0 million GF and \$1.2 billion NGF the first year and \$295.2 million GF and \$845.9 million NGF the second year to fund the forecasted costs of utilization and inflation for the Medicaid program, based on the forecast developed by the Department of Medical Assistance Services (DMAS). Expenditures in the program are expected to grow by 12.0 percent in FY 2025 and 4.5 percent in FY 2026. Enrollment in Medicaid is projected to decline by 6.1 percent in FY 2025 and then increase 0.1 percent in FY 2026. The growth in costs is mainly due to delayed payments from the FY 2024 budget shortfall in the program, higher managed care rates and fee-for-service costs, growth in Medicare premiums, lower pharmacy rebates, an increase in hospital payments, unexpected GF costs associated with Indian Health Clinics, and a decrease in the federal match rate in FY 2026.

- **Family Access to Medical Insurance Security (FAMIS) Utilization and Inflation.** Recommends \$18.5 million GF and \$33.0 million NGF the first year and \$22.2 million GF and \$35.4 million NGF the second year to fund the utilization and inflation costs of the FAMIS program as projected by DMAS. Expenditures in the program are expected to increase 24.8 percent in FY 2025 and 6.4 percent in FY 2026. The increase in costs is due to higher enrollment as children have shifted from the regular Medicaid program as a result of the redetermination of their eligibility after the end of the federal pandemic health emergency. In addition, managed care costs for acute medical services increased 8.9 percent in FY 2025, which was higher than projected last year. FAMIS covers children aged zero to 18 living in families with incomes between 133.0 and 200.0 percent of the federal poverty level.
- **Adjust Health Care Fund Appropriation.** Proposes to capture \$48.8 million GF in savings with a corresponding increase in NGF the first year and add \$15.5 million GF along with a corresponding decrease in NGF the second year to reflect the latest revenue estimate for the Virginia Health Care Fund (VHCF). VHCF revenues are used as a portion of the state's match for the Medicaid program. As revenues decline, more general fund dollars are needed to fund the state match for the Medicaid program. The first year GF savings are mainly due to the \$41.7 million cash balance from FY 2024. In addition, VHCF revenues are projected to decline in FY 2026 based on the Department of Taxation's revised forecast of tobacco taxes, a projected decline in pharmacy rebates, and lower master settlement agreement payments from tobacco companies.
- **Medicaid Children's Health Insurance Program (CHIP) Utilization and Inflation.** Recommends \$22.4 million GF and \$41.7 million NGF the first year and \$25.2 million GF and \$44.1 million NGF the second year for the Commonwealth's Medicaid Children's Health Insurance Program to fund the forecasted utilization and inflation costs as projected by DMAS. Expenditures in the program are expected to increase 18.8 percent in FY 2025 and 7.9 percent in FY 2026. The Medicaid CHIP program provides services for Medicaid-eligible low-income children, aged six to 18, living in families with incomes between 100.0 and 133.0 percent of the federal poverty level. The increase in costs is due to higher enrollment, as children have shifted from the regular Medicaid program

as a result of the redetermination of their eligibility after the end of the federal pandemic health emergency. In addition, managed care costs for acute medical services increased 8.9 percent in FY 2025, which was higher than projected last year.

- **Adjust Funding for the Cost of Medical Services for Involuntary Mental Commitments.** Proposes to capture \$863,103 GF the first year and \$695,709 GF the second year to reflect the projected cost of hospital and physician services for persons subject to an involuntary mental commitment.

### ***Other Spending***

- **Authorize Implementation of 1115 Serious Mental Illness Waiver.** Recommends \$162,825 GF and \$337,175 NGF the first year and \$998,595 GF and \$2.5 million NGF and 1.0 position the second year for coverage of services provided to Medicaid beneficiaries during short-term stays (not to exceed 60 days) in acute care in psychiatric hospitals or residential treatment settings that qualify as Institutes of Mental Disease through an 1115 serious mental illness (SMI) waiver. Resources are also provided to support the cost of implementing and overseeing services provided through the SMI waiver. Authority to reappropriate first year balances is provided should program implementation costs carry over into FY 2026. The General Assembly previously directed DMAS to apply for the waiver but to not implement it until authorized.
- **Create a Funding Reserve for Medicaid Initiatives.** Recommends \$972,941 GF the second year to comply with proposed budget language that ensures sufficient general fund appropriation in future biennia by creating a funding reserve mechanism for the Medicaid program to account for projected but unbudgeted costs of new initiatives. The proposed language provides that for each newly enacted initiative that increases Medicaid costs, a one-year reserve amount shall be appropriated in the second year to offset future program costs. This reserve amount would be in addition to the biennial cost of the initiative and be made from the general fund. The reserve amount would equal the difference between the amount of second year general fund appropriated for the initiative and the highest annual general fund cost of such initiative over the next six fiscal years. DMAS would provide the six fiscal year cost estimate for each initiative.

- **Comply with Federal Eligibility and Processing Rules.** Proposes \$715,000 GF and \$2.0 million NGF the first year for eligibility and enrollment systems changes as part of implementing new federal rules. Final rules recently issued by the Centers for Medicare and Medicaid Services make a number of changes to the Commonwealth's application, eligibility determination, enrollment, and renewal processes. These new federal rules allow for individuals placed on a spenddown when receiving Community Based Care Long Term Services and Supports to project the cost of their care, as those in a nursing facility can do. In addition, the rules contain requirements for states to continue to improve transitions within programs, remove limitations to reasonable opportunity periods to provide citizenship/immigration/identity verifications, remove limitations to gaining Medicaid coverage when potentially eligible for other programs, applying the primacy of electronic verification sources, increased agency action to prevent and attend to returned mail, and new requirements for recordkeeping and primacy of electronic sources for citizenship and identity verification.
- **Fund Administrative Contract Costs.** Proposes \$390,567 GF and \$711,517 NGF the second year to cover the anticipated cost of volume driven contracts as well as actuarial services used to support the operation of the Medicaid and Children's Health Insurance Programs.
- **Ensure Compliance with State and Federal Developmental Disability Waiver Requirements.** Recommends \$150,000 GF and \$850,000 NGF the first year and \$239,289 GF and \$239,289 NGF the second year and 4.0 positions to assist with state and federal waiver requirements associated with contract monitoring, quality reviews, and rule changes. Authority to reappropriate first year balances is provided should implementation costs be delayed into FY 2026.
- **Cover Pre-Release Medicaid Services for Justice Involved Youth.** Proposes \$1.0 million NGF the first year and \$367,178 GF and \$855,026 NGF the second year to provide covered services, including screenings, diagnostic services, and targeted case management, in the 30 days pre-release and immediately post-release to eligible incarcerated youth and young adults in accordance with Section 5121 of the federal Consolidated Appropriations Act of 2023. The first year amount is funded from an implementation grant from the Centers for Medicare and Medicaid Services.

- **Require Children Served in Psychiatric Residential Treatment Facilities to Remain Enrolled in Managed Care.** Proposes \$273,575 GF and \$290,568 NGF the second year to require children served in psychiatric residential treatment facilities (PRTF) to maintain their enrollment in managed care. The payment for PRTF per diem payments and PRTF required services will be carved out of the managed care contract and paid as a fee-for-service benefit. Proposed language prohibits any service eligible for reimbursement through the Children’s Services Act being included in managed care.
- **Provide Additional Funding for the Virginia Task Force on Primary Care.** Proposes \$250,000 GF and \$250,000 NGF the first year to contract with the Virginia Task Force on Primary Care to conduct research that guides Medicaid policy as it relates to primary health care. The Virginia Task Force on Primary Care was launched by Virginia Center for Health Innovation I in August 2020 in response to the critical needs of front-line primary care providers exacerbated by the COVID-19 pandemic and continuing to challenge the profession.
- **Unbundle Long-Acting Injectables for Serious Mental Illness.** Recommends \$177,906 GF and \$1.3 million NGF the second year to allow Medicaid payment, outside the hospital daily rate, for long-acting injectable or extended-release medications administered for a serious mental illness in any hospital emergency department or hospital inpatient setting. Its members include various stakeholders in health care, including several legislators.

### ***Language***

- **Authorize Final Exempt Authority to Update Provider Rate Regulations.** Proposes authority to submit final exempt regulatory packages to repeal existing provider reimbursement regulations and replace them with language consistent with the Medicaid state plan in effect as of March 1, 2025.
- **Clarify Third Party Liability Rules.** Recommends budget language to meet a federal requirement that Virginia have a rule in place to bar liable third-party payers from refusing payment solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules. This policy has already been implemented by DMAS and is not expected to have any fiscal or programmatic impact.

- **Increase Payment Amount for Psychiatric and Obstetric-Gynecological Graduate Medical Residencies.** Proposes to increase the amount of graduate medical education supplemental payments for all qualifying psychiatric and obstetric-gynecological residencies from the current \$100,000 to \$150,000 annually effective July 1, 2026. In addition, budget language is updated to reflect the latest information on residency program cohorts. All current residences are funded at a total cost of \$100,000 each per year and therefore this change will require additional funding in the future to maintain the current level of residencies.
- **Specify Amount of Spending on Mail Room Operations.** Recommends budget language to identify funding that was previously allocated for mail room services. The current Appropriation Act includes funding for DMAS to contract with a vendor to handle all incoming medical assistance-related mail currently directed to local departments of social services. Budget language is included to reappropriate first year balances if the initial implementation costs extend into the second year.
- **Update Nursing Facility Reimbursement Methodology.** Proposes to modify the current nursing facility reimbursement methodology which utilizes Resource Utilization Groups to the Patient-Driven Payment Model, which is used by Medicare. This change in reimbursement methodology would be implemented in a budget neutral manner no later than October 1, 2025, and is a federal requirement.
- **Allow for an Hourly Adult Day Health Care Rate.** Recommends language directing DMAS to change the reimbursement methodology for adult day health care from a daily rate to an hourly rate. Any reimbursement rate adjustments are required to be budget neutral.
- **Clarify the Removal of Cost Sharing in Existing Appropriation Act Language.** Proposes to modify current Appropriation Act language that prohibits cost sharing in Medicaid to clarify that it applies to co-insurance and deductibles. This clarification is a request from the Office of the Attorney General.
- **Modify Managed Care Contract Language Requirements.** Recommends language to allow DMAS to implement managed care contract changes in future



contract amendments that are currently authorized as part of managed care reprocurement. Language is also included to allow for the competitive procurement of a foster care specialty plan and technical changes necessary to implement authorized behavioral health initiatives.

## – **Department of Behavioral Health and Developmental Services**

- **Provide Funding for Special Conservators of the Peace at Private Hospitals.** Proposes \$35.2 million GF the second year and authority to allow the Department of Behavioral Health and Developmental Services (DBHDS) to provide funding to private hospitals for special conservators of the peace to relieve law enforcement from maintaining custody during a period of emergency custody or temporary detention. The agency would redirect funding of \$14.5 million GF each year that is currently provided for the alternative transportation contractor, which provides a total of \$49.7 million GF to fund statewide coverage.
- **Provide Funding for Developmental Disability Services and Quality Assurance.** Recommends \$4.6 million GF, \$532,410 NGF, and 22.0 positions the second year for the addition of quality improvement specialists, registered nurse care consultants, licensed behavioral analysts, dental staff, and dental services contracts to comply with the settlement agreement with the federal Department of Justice or that permanent injunction under consideration which may replace the existing agreement.
- **Fund Pharmaceutical Costs at State Facilities.** Includes \$3.3 million GF the second year for increased pharmaceutical costs at state mental health facilities. The increase is due to the higher cost of medications and increased use of long acting injectables as a treatment practice which are more expensive compared to past treatment practices.
- **Fund Salary Alignments for Trades Positions at State Facilities.** Proposes \$2.4 million GF for salary increases in trades positions at state mental health facilities and the state training centers, including electricians, plumbers, construction, and other skilled laborers. A salary alignment study was conducted using the Mercer 2024 Healthcare Compensation Survey. All other positions at these facilities have received salary alignments over the past few years.

- **Support for the Adult Psychiatric Access Line.** Recommends \$1.5 million GF the second year to continue two regional pilot hubs through the Medical Society of Virginia for the Adult Psychiatric Access Line (APAL). APAL is a statewide program that provides psychiatric consultation and care navigation for primary care physicians to better care for adults struggling with substance use disorders and co-occurring substance use and mental health disorders.
- **Fund Part C Early Intervention Services.** Includes \$1.5 million GF the second year to fund a 5.0 percent increase, over FY 2025, in caseload and costs for early intervention services for non-Medicaid children.
- **Fund Administrative Costs of New Developmental Disability Medicaid Waiver Slots.** Proposes \$211,692 GF and \$211,692 NGF the first year and \$956,262 GF, \$1.5 million NGF, and 12.0 positions the second year to support the administrative costs of services provided to individuals on the developmental disability waivers, including supports intensity scale evaluations and service authorization staff. The current Appropriation Act funds 3,440 new slots over the biennium.
- **Fund Additional Crisis Co-Response Programs.** Recommends \$1.2 million GF the second year to support two additional local crisis co-response teams in FY 2026. DBHDS is currently funded for 17 teams in FY 2026, bringing the total number funded to 19 teams.
- **Fund the Youth Mental Health Matters Initiative.** Recommends \$1.0 million GF the first year for outreach and educational campaigns related to the impacts of mental health, substance use, and social media on youth and adolescents.
- **Fund Additional Forensic Evaluators.** Proposes \$800,908 GF the second year for 4.0 additional forensic evaluators at Central State Hospital, Western State Hospital, and Eastern State Hospital.
- **Fund Youth Peer Support Specialists.** Recommends \$777,000 GF the second year to support 10.0 youth peer support specialists and associated training costs at Community Services Boards.

- **Fund Additional Licensing Positions.** Proposes \$663,758 GF and 5.0 positions the second year for additional positions in the Office of Licensing to maintain legal and regulatory compliance with an increase in licensing caseload.
- **Add Support for Information Security.** Recommends \$186,963 GF and 1.0 position the second year to enhance cybersecurity.
- **Increase Appropriation for Problem Gambling Programs.** Proposes adding \$1.5 million NGF the second year to appropriate funds from the Problem Gambling and Support Fund to expand program evaluation, provide treatment services, and expand outreach. This Fund receives a portion of the tax revenue from sports and casino gambling taxes.
- **Transfer Funds for Assertive Community Treatment Program Evaluations.** Proposes to transfer \$159,200 GF the second year for a contract to administer evaluation and fidelity reviews of programs for assertive community treatment within DBHDS from the Community Services Boards to the central office budget. This is a zero-sum transfer and has no fiscal impact.

### ***Language***

- **Modify Grants to Recovery Residences.** Recommends modifying current budget language to allow DBHDS to make grants to any recovery residence certified by the Department. The agency currently has \$2.0 million GF annually available for these grants and limits the grants to only members of the Virginia Association of Recovery Residences.
- **Add Emergency Regulatory Language for Peer Support Trainees.** Includes budget language to allow the State Board of Behavioral Health and Developmental Services to promulgate emergency regulations related to peer recovery specialist-trainees. This would allow the services provided by these trainees to be reimbursed by Medicaid.
- **Allow Flexibility in School-Based Mental Health Programs to Support Dual Model Service Delivery.** Recommends modifying budget language that allocated \$15.0 million GF each year for school-based mental health services to be used to make grants available to school divisions in addition to the current language

directing the department to contract with Federally Qualified Health Centers to establish school-based clinics to provide mental health and primary health care.

## – Department for Aging and Rehabilitative Services

- **Adjust Vocational Rehabilitation Appropriation to Reflect Increase in Federal Grant.** Proposes \$6.5 million NGF the second year to account for an increase in the federal vocational rehabilitation grant. The funding reflects the net increase to the federal formula grant award from the Rehabilitation Services Administration since 2020. This adjustment does not exceed the base award limit specified in the current Appropriation Act. The funding also reflects an increase in program income received from the Social Security Administration and in federal vocational rehabilitation grant revenue that is unrelated to the base award and does not require state matching funds.
- **Increase Indirect Cost Appropriation to Reflect Higher Revenue.** Recommends \$1.7 million NGF to account for an increase in indirect cost revenue from federal grants. This funding is used to support administrative expenses.
- **Combine Funding Pools for the Long-Term Employment Support Services and Extended Employment Services Programs.** Proposes budget language that combines the funding for the Long-Term Employment Support Services and Extended Employment Services programs into one pool of funding. Combining the funds does not impact program eligibility or services provided by the employment services organization that receives the funding.

## – Department of Social Services

### *Child Welfare Programs and Services*

- **Fund the Child Welfare Forecast.** Reduces \$14.3 million GF and \$9.8 million NGF the first year and \$13.0 million GF and \$9.2 million NGF the second year to adjust funding for the costs of providing foster care and adoption subsidy payments. Based on recent expenditure trends and the impact of child welfare policy changes, this amendment adjusts the appropriation for the necessary costs of providing payments to foster care and adoptive families.

- **Enhance Child Protective Services.** Recommends \$500,000 GF the first year and \$7.5 million GF and 5.0 positions the second year to implement recommendations from the Office of the State Inspector General to improve child protective services (CPS). One-time funding in the first year will be used to enhance the Interactive Voice Response system utilized by the state CPS Hotline. Second year funding includes:
  - \$93,130 for ongoing systems costs for the state CPS Hotline;
  - \$6.6 million for local departments of social services with the greatest caseloads to reflect the cost of adding 72.0 local positions; and
  - \$773,135 to support 5.0 regional CPS consultants to provide support and technical assistance to local CPS staff and to the implementation of the Parental Child Safety Placement Program, pursuant to § 63.2-1531:1536, Code of Virginia.
- **Fund Foster Care and Adoption Cost of Living Adjustments.** Includes \$1.5 million GF and \$1.4 million NGF the second year to raise maximum maintenance payments made to foster family homes on behalf of foster children by 3.0 percent, which corresponds with the salary increase provided to state employees in 2024. This increase is also assumed for adoption subsidy funding to ensure that adoption subsidies keep pace with foster family rates and to avoid any disincentives to adoption. This increase also provides funding for expedited maintenance payments to be issued to foster parents within ten days of accepting placement of children in foster care.
- **Cover Administrative Costs of Child Support Enforcement.** Includes \$449,239 GF and \$872,053 NGF the first year and \$457,563 GF and \$888,213 NGF the second year as support for the Division of Child Support Enforcement to cover the increased cost of mail and legal services.

***Temporary Assistance for Needy Families (TANF) – (See TANF table at end of section)***

- **Fund the TANF Benefits and Virginia Initiative for Education and Work Childcare Forecast.** Includes \$2.0 million GF the first year and \$1.8 million GF the second year and reduces \$22.8 million NGF the first year and \$27.8 million NGF the second year to update the funding to account for the anticipated cost of providing mandated TANF benefits. Benefits include cash assistance payments,

employment services, and Virginia Initiative for Education and Work childcare. The GF amount reflects the cost of the Unemployed Parents program.

- **Expand the TANF Full Employment Program.** Recommends \$440,000 NGF the second year to expand the TANF Full Employment Program led by agencies and community organizations that offer volunteer work with the goal of improving participants' employability. Funding would provide \$1,000 stipends to participants for six months.

### ***Other General and Nongeneral Fund Adjustments and Language***

- **Fund Increase in Contract Costs for Income Verification for Public Benefits.** Proposes \$7.3 million GF and \$6.5 million NGF the second year to increase funding for a vendor contract with Equifax that provides income verification for public benefits. This funding accounts for the cost increase related to the contract's renewal.
  - Includes proposed language requiring the Department of Social Services (DSS) to investigate alternatives to its current employment and income verification services contract that may provide more cost-effective opportunities. Examination of alternatives will be reported to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Director of the Department of Planning and Budget (DPB) by November 1, 2025.
  - Recommends that funding be unallotted by DPB until DSS provides documentation of biennial contract costs.
- **Appropriate Benefits for the Summer Electronic Benefits Transfer Program.** Proposes \$105.2 million NGF the second year for the cash benefits portion of the summer Electronic Benefits Transfer program for children which was made permanent by the federal Consolidated Appropriations Act of 2023.
- **Adjust Appropriations to Align with Agency Operations.** Reduces \$25.0 million NGF each year to reflect agency reorganization and to adjust appropriations for child support collections to better align with anticipated revenues.

- **Appropriate Nongeneral Funds for Local Staff and Operations.** Includes \$14.5 million NGF each year to fund the nongeneral fund portion of the salary increases for state-supported local employees and increases the federal appropriation for pass-through funding at local departments of social services. This amendment also appropriates background search fee revenue for ongoing Background Information System/Central Registry System operations and maintenance expenses.
- **Appropriate Anticipated Federal Energy Assistance Revenue.** Includes \$12.0 NGF each year to account for the estimated federal revenue that will be received for the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is a subsidy program offered through local departments of social services to assist low-income households in meeting their energy needs.
- **Enhance Electronic Identity Validation Efforts.** Proposes \$805,000 GF and \$805,000 NGF the second year for electronic identity validation services, which utilize a digital platform to verify applicant identities. This effort aims to decrease improperly provided benefits and services.
- **Fund the Modernization of the 2-1-1 System.** Recommends \$500,000 GF and \$500,000 NGF the second year to provide one-time funding to support costs associated with modernizing the statewide 2-1-1 Information and Referral System. Proposed language directs DSS to integrate information that is required to be included in the Opioid Impact Reduction Registry at the VDH.
- **Address Increased Procurement Workload.** Proposes \$310,875 GF and \$310,875 NGF and 4.0 positions the second year to support DSS's procurement efforts and address increasing workload demands.
- **Transfer Child Care Employees to the Virginia Department of Education.** Recommends transferring 7.0 positions in the first and second year from the DSS to the Department of Education. Impacted employees currently support childcare programs and are funded by federal childcare funds.
- **Clarify Percentage of Income Payment Program Language.** Proposes language specifying that the cost for state and local agencies to administer the Percentage of Income Payment Program (PIPP) should not exceed \$5.5 million annually in totality, including costs borne by DSS. Language also specifies that nongeneral

funds appropriated to fund PIPP include the full amount of administrative expenditures for Dominion Energy and Appalachian Power Company, as approved by the State Corporation Commission.

## – **Virginia Board for People with Disabilities**

- **Fund Interagency Contract Costs for Essential Administrative Services.** Recommends \$31,593 GF the second year for contract cost increases for administrative, fiscal, and information technology services provided by the Department for Aging and Rehabilitative Services.

## – **Department for the Blind and Vision Impaired**

- **Fund Interagency Contract Costs for Essential Administrative Services.** Recommends \$999,966 GF and \$492,520 NGF the second year for contract cost increases for administrative, fiscal, and information technology services provided by the Department for Aging and Rehabilitative Services.
- **Provide Materials for Rehabilitation Teaching and Independent Living Program.** Proposes \$375,000 GF the second year to support the purchase of additional navigational aids, tools, and training materials needed to address the waitlist of blind and visually impaired participants in the Rehabilitation Teaching and Independent Living Program.
- **Increase Enterprise Nongeneral Fund Appropriation.** Recommends \$5.0 million NGF the second year to increase the nongeneral fund appropriation to account for new lines of business with naval shipyards in the agency's Enterprise Division.
- **Add NGF Positions for Vocational Rehabilitation and Enterprise Program.** Recommends 4.0 positions the second year to support personnel needs in the Vocational Rehabilitation and Enterprise Divisions. These positions would be supported through existing nongeneral fund revenue.



**TANF Block Grant NGF Funding**  
**SB 800, as introduced**

	<u>FY 2025</u>	<u>FY 2026</u>
<b>TANF Resources</b>		
Annual TANF Block Grant Award	\$157,762,831	\$157,762,831
Carry-Forward from Prior Fiscal Year	<u>46,855,247</u>	<u>25,302,548</u>
<b>Total TANF Resources Available</b>	<b>\$204,618,078</b>	<b>\$183,065,379</b>
<b>TANF Mandated Services</b>		
<i>TANF Income Benefits</i>	\$28,544,143	\$18,099,070
Emergency and Diversionary Assistance	139,935	139,935
VIEW Employment Services	9,000,000	9,000,000
VIEW Child Care Services	2,659,033	2,659,033
TANF Caseload Reserve	1,000,000	1,000,000
<i>Expand TANF Full Employment Program</i>	0	440,000
TANF State/Local Operations	69,569,090	69,557,605
<i>Address Increased Procurement Workload</i>	0	37,256
<i>Enhance Electronic Identify Validation Efforts</i>	0	15,600
<i>Increase Appropriation for Local Operations</i>	<u>\$1,648,311</u>	<u>\$1,648,311</u>
<b>Subtotal Mandated Services</b>	<b>\$112,560,512</b>	<b>\$102,596,810</b>
<b>TANF Programming</b>		
Healthy Families/Healthy Start	\$9,035,501	\$9,035,501
Community Employment & Training Grants	7,250,000	Move to GF
Community Action Agencies (CAAs)	9,250,000	9,250,000
CAA Two Generation/Whole Family Pilot	1,125,000	1,125,000
Local Domestic Violence Prevention Grants	3,846,792	3,846,792
Long-Acting Reversible Contraceptives	4,000,000	Move to GF
Federation of Virginia Food Banks	3,000,000	3,000,000
Virginia Early Childhood Foundation	1,250,000	1,250,000
Boys and Girls Clubs	2,000,000	2,000,000

**TANF Block Grant NGF Funding**  
**SB 800, as introduced**

	<u>FY 2025</u>	<u>FY 2026</u>
Child Advocacy Centers	2,136,500	2,136,500
Northern Virginia Family Services	2,000,000	2,000,000
Laurel Center	1,250,000	1,250,000
Earned Income Tax Credit (EITC) Grants	635,725	635,725
FACETS	350,000	350,000
Visions of Truth STRIVE Program	150,000	150,000
Transit Passes	500,000	500,000
United Community	1,200,000	1,200,000
Lighthouse Community Center	500,000	500,000
Cornerstones	750,000	750,000
Family Restoration Services in Hampton	0	0
Portsmouth Volunteers for the Homeless	0	0
Menchville House	0	0
Good Shepherd Housing and Family Services	<u>\$200,000</u>	<u>\$200,000</u>
<b>Subtotal TANF Programming</b>	<b>\$50,929,518</b>	<b>\$39,679,518</b>
<b>Transfers to other Block Grants/Cost Avoidance</b>	<b>\$15,825,500</b>	<b>\$15,825,500</b>
<b>Total TANF Expenditures &amp; Transfers</b>	<b>\$179,315,530</b>	<b>\$158,101828</b>

# Labor

<b>Governor’s Proposed Amendments to Labor</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$20.1</b>	<b>\$756.9</b>	<b>\$18.3</b>	<b>\$753.3</b>
Proposed Increases	2.2	<0.1	0.9	25.5
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(10.0)</u>
\$ Net Change	\$2.2	\$<0.1	\$0.9	\$15.5
<b>SB 800, as Introduced</b>	<b>\$22.3</b>	<b>\$756.9</b>	<b>\$19.2</b>	<b>\$768.8</b>

## – Department of Labor and Industry

- **Medical Evaluations and Annual Physicals of Compliance Officers.** Proposes \$75,250 GF each year for medical evaluations and physicals of Safety and Health Compliance Officers conducting inspections and investigations in hazardous work environments to comply with federal standards.
- **Headquarters Rent Increase.** Proposes \$52,370 GF and \$22,872 NGF each year for additional headquarters rental charges. The Department recently relocated from a state office building to leased space to be co-located with other Labor Secretariat agencies.

## – Department of Professional and Occupational Regulation

- **Replace Mission-Critical Systems.** Recommends \$2.5 million NGF the second year to complete a multi-system technology upgrade project. Cash reserves from the administrative fees assessed on regulated professions will be used to fund the project.

## – Department of Workforce Development and Advancement

- **Promote Virginia Has Jobs Initiative.** Proposes \$2.1 million GF the first year to promote a workforce portal to connect potential applicants with available employment and training opportunities.
- **Expand Re-Entry Placement Pilot Program.** Recommends \$376,935 GF and 5.0 positions the second year to expand a re-entry job placement program through a collaboration between the Departments of Workforce Development and Advancement and Corrections.
- **Provide Administrative Support.** Proposes \$350,000 GF the second year to support agency administrative costs for which insufficient funding, according to the Department, was transferred during the establishment of the new agency.
- **Line of Credit in Advance of Federal Funding.** Recommends a \$10.0 million GF line of credit from the State Treasury to meet operating needs when federal funding for workforce programs is delayed. The budget language allows the Secretary of Labor to approve access to the line of credit in consultation with the Secretary of Finance, if necessary.
- **Transfer the Trade Adjustment Program.** Proposes to transfer \$10.0 million NGF appropriation for the Trade Adjustment Assistance Fund back to the Virginia Employment Commission (VEC) because the appropriation was inadvertently transferred during the establishment of the Department of Workforce Development and Advancement. A corresponding adjustment is proposed for VEC.

## – Virginia Employment Commission

- **Appropriate Administrative Fee Revenue.** Recommends \$13.0 million NGF appropriation to support revenue from the newly authorized administrative fee on taxable wages to support administration of the unemployment compensation programs.
- **Re-Establish the Trade Adjustment Program.** Proposes a \$10.0 million NGF transfer to the Trade Adjustment Assistance Fund from the Department of

Workforce Development and Advancement (DWDA). A corresponding removal of this appropriation is recommended for DWDA.

# Natural and Historic Resources

<b>Governor’s Proposed Amendments to Natural Resources</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$615.2</b>	<b>\$472.4</b>	<b>\$210.5</b>	<b>\$404.2</b>
Proposed Increases	100.8	0.0	1.0	1.6
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>(0.8)</u>	<u>0.0</u>
\$ Net Change	\$100.8	\$0.0	\$0.2	\$1.6
<b>SB 800, as Introduced</b>	<b>\$716.0</b>	<b>\$472.4</b>	<b>\$210.7</b>	<b>\$405.8</b>

## – Department of Conservation and Recreation

- **Water Quality Improvement Fund.** A total of \$93.7 million GF from excess FY 2024 revenue collections and agency balances is statutorily designated for the Water Quality Improvement Fund (WQIF). Of this amount, \$26.3 million GF is recommended for the Department of Conservation and Recreation, including:
  - \$8.9 million designated for deposit to the WQIF reserve; and
  - \$17.4 million would transfer to the Virginia Natural Resources Commitment Fund for agricultural best management practices needs in the next biennium.
- **Conservation Officers’ Retirement.** Proposes \$610,000 GF the second year to support inclusion of Conservation Officers in the Virginia Law Officers’ Retirement System. The legislation that authorized participation, Chapter 416, 2024 Acts of Assembly, requires reenactment in the 2025 General Assembly Session.
- **Enhance Capital Outlay Management.** Proposes \$323,846 GF the second year and 2.0 positions to expand project management capacity for design and construction of maintenance, capital, and small technical projects across the Department.

- **Increase District Oversight and Assistance.** Recommends \$462,512 NGF and 3.0 positions the second year to provide oversight and guidance for Soil and Water Conservation Districts. The positions would be funded through the Water Quality Improvement Fund and Virginia Natural Resources Commitment Fund interest earnings.
- **Fund District Dam Rehabilitation Engineers.** Proposes \$355,393 NGF the second year and authorization to use interest earnings to support 2.0 existing positions. The engineering positions are currently funded through bond proceeds from dam safety projects that will be depleted by the end of FY 2025. The amendment would use interest earnings on the Soil and Water Conservation District Dam Maintenance Repair and Rehabilitation Fund to support the positions.
- **Optimize State Park Revenue.** Recommends \$216,371 NGF and 1.0 position the second year to establish a revenue specialist position to analyze and optimize state park system revenue generation from overnight lodging, facility rental, programming, concessions and retail sales. The position would be supported by the State Park Conservation Resources Fund.

## – Department of Environmental Quality

- **Water Quality Improvement Fund.** A total of \$93.7 million GF from excess FY 2024 revenue collections and agency balances is statutorily designated for the Water Quality Improvement Fund. Of this amount, \$67.4 million GF the first year is recommended for the Department of Environmental Quality, including:
  - \$17.4 million for reimbursements to eligible entities under the Enhanced Nutrient Removal Certainty Program; and
  - \$50.0 million for the City of Richmond’s Combined Sewer Overflow project, bring the total support for the upgrade to \$100.0 million GF in the first year.
- **Richlands Regional Water Treatment Facility.** Proposes \$1.5 million GF the first year to support water treatment plant upgrades at the Richlands Regional Water Treatment Facility in Tazewell County.

- **Interstate Commission on Potomac River Basin.** Recommends \$53,600 GF the second year for anticipated increase in membership contribution for the Commission.
- **Delay Polystyrene Ban Effective Date.** Proposes a language-only amendment to delay the phased prohibition on the use of polystyrene containers to July 1, 2028, for establishments with 20 or more locations and July 1, 2030, for all food vendors.
- **Balance Reappropriation.** Proposes a language-only amendment to reappropriate general fund balances provided for the City of Richmond's Combined Sewer Overflow project and the Pay-for-Outcomes water quality initiative.
- **Increase Federal Appropriation.** Recommends a technical change to increase the federal grant appropriation by \$589,192 NGF the second year.

#### – **Department of Wildlife Resources**

- **Seabird Colony Relocation.** Recommends \$4.4 million GF the second year to leverage federal funds for the relocation of Virginia's largest seabird colony. The general fund support would provide 35.0 percent of the total costs of an Army Corps of Engineers project to construct a permanent habitat for the colony which is being displaced by a transportation expansion project.

#### – **Department of Historic Resources**

- **Additional Legal Assistance.** Proposes \$250,000 GF the first year for legal services assistance with drafting and reviewing battlefield easements.
- **Shift Historic and Commemorative Attraction Funding.** Proposes to shift a total of \$750,000 GF from the second year to the first year of the budget for allocations to the Jefferson School African American Heritage Center and Black Women United for Action.
- **Modify Tribal Internship Language.** Recommends a language-only amendment to expand the allowable use of the funding to include grants, consultation, and training in addition to paid internships for data collection activities. In addition, the amendment would expand the allowable activities beyond data collection to



include those related to identification and protection of indigenous cultural properties and historic resources.

– **Marine Resources Commission**

- **Retrofit Office Space and Increase Building Safety.** Proposes \$150,000 GF the first year for safety upgrades and workplace enhancements at the Commission’s main office in Fort Monroe.

# Public Safety and Homeland Security

<b>Governor’s Proposed Amendments to Public Safety and Homeland Security</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$2,644.5</b>	<b>\$463.3</b>	<b>\$2,623.6</b>	<b>\$460.9</b>
Proposed Increases	14.6	<0.1	23.7	11.5
Proposed Decreases	<u>(0.2)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$14.4	<\$0.1	\$23.7	\$11.5
<b>SB 800, as Introduced</b>	<b>\$2,658.9</b>	<b>\$463.3</b>	<b>\$2,647.3</b>	<b>\$472.4</b>

## – Secretary of Public Safety and Homeland Security

- **Local Immigration Enforcement Language.** Recommends language that requires the Compensation Board and the Department of Criminal Justice Services to withhold jail per diem payments and Aid to Localities with Police Departments (“599”) funding to entities that do not comply with several provisions related to immigration enforcement, including:
  - Requiring officials in charge of facilities where aliens are incarcerated to comply with lawful U.S. Immigration and Customs Enforcement (ICE) detainers and to provide at least 48-hour pre-release notifications to ICE; and
  - Prohibiting such officials and other local law enforcement agencies from impeding communication or cooperation with ICE pursuant to adoption of a local ordinance, procedure, policy, or custom.

## – Department of Corrections

- **Increase in Inmate Healthcare Costs.** Proposes \$4.1 million GF the second year and 12.0 positions each year for increased inmate healthcare costs, driven

primarily by offsite care and pharmaceutical expenses. The 12.0 positions are to replace medical contractors with state employees, including physicians and nurses.

- **Mobile Classrooms.** Recommends \$2.1 million GF the first year in one-time funding for three mobile classroom trailers to expand career and technical education programs for HVAC and renewable energy.
- **Corrections Special Reserve Fund Deposit (“Woodrum” Impact).** Pursuant to § 30-19.1:4, Code of Virginia, proposes a deposit of \$987,368 GF the second year for the estimated prison bedspace impact of 13 pieces of potential legislation to be considered in the 2025 Session.
- **Expand Dental Services for Inmates.** Recommends \$934,566 GF and 6.0 positions the second year for two, three-person mobile teams to support routine dental care, such as fillings and tooth extractions, for inmates. The amount includes one-time equipment costs of \$157,980 and an offset of \$156,000 to account for the potential discontinuation of the current mobile dental team contract.
- **Community Corrections Electronic Monitoring Tools.** Proposes \$905,000 GF the second year to expand electronic monitoring of probationers, including GPS and Shadowtrack. The amount assumes that the Department will continue to enroll all new probationers in Shadowtrack, a practice that began in FY 2024, and that total Shadowtrack costs will increase 20.0 percent each year. Shadowtrack is a phone-based application that allows officers to connect with probationers and parolees through video meetings, text messages, and voice messages, as well as to obtain their phone location.
- **Earned Sentence Credit Eligibility Language.** Recommends language that prohibits inmates with consecutive or concurrent sentences from earning more than 4.5 sentence credits for every 30 days if a portion of the total sentence is subject to the 4.5 per 30-day rate, notwithstanding current law.
  - Under current law, such inmates may earn an enhanced earned credit rate of 15 credits for every 30 days served on the portion of their total sentence that is tied solely to an offense that is eligible for the enhanced rate.

## – Department of Criminal Justice Services

- **School Resource Officer Incentive Grants Fund.** Proposes \$6.8 million GF the first year in additional funding for the School Resource Officer Incentive Grants Fund, bringing the total GF investment to \$50.3 million GF over the biennium.
  - Chapter 2, 2022 Acts of Assembly, Special Session I, increased the annual GF deposit into the Fund from \$4.7 million to \$27.2 million. Subsequently, Chapter 2, 2024 Acts of Assembly, Special Session I, reduced the annual deposit by \$4.1 million GF the first year and \$6.8 million the second year to more closely align with utilization.
- **Local Law Enforcement Civil Commitment Transportation.** Recommends \$3.5 million GF the second year for contracts with local law enforcement agencies to reimburse time spent transporting individuals under temporary detention orders or emergency custody orders.
  - Proposed language stipulates that reimbursement is limited to transportation time and prioritizes agencies within Virginia State Police Divisions III, IV, and VI and localities whose agencies must travel far distances to a state facility.
  - In 2023 Special Session I, the General Assembly provided \$5.1 million GF in one-time funding for transportation and custody of such individuals, all of which was expended.
- **Public Safety Communications Infrastructure Grants.** Proposes \$2.5 million GF the first year for a new one-time grant program to assist localities with purchasing public safety radio and communications infrastructure equipment. The suggested language requires prioritization of grants to localities that: (i) score above average or high on the Department of Housing and Community Development fiscal stress index; (ii) are double-distressed according to the Virginia Economic Development Partnership Commonwealth Opportunity Funds Distressed Localities Assessment; and (iii) demonstrate a need for the equipment.
- **Online Testing Module.** Recommends \$450,000 GF the first year in one-time funding to develop a new module to enable integration of testing at local and regional law enforcement academies into the TRACER database, which the Department uses to ensure law enforcement officers meet certification

requirements. Currently, criminal justice academies administer tests using separate testing software and input the results into TRACER using scantron sheets.

- **Victim Witness Grant Program - Office of the Attorney (OAG) Grant.** Proposes \$200,000 GF each year to increase the grant through the Victim Witness Grant Program to the OAG for their Victim Notification Program, increasing the annual designated amount to at least \$500,000.
  - According to the OAG, they received \$308,251 in FY 2023 and \$299,000 in both FY 2024 and FY 2025 from the Victim Witness Grant Program.
- **Office of First Responder Wellness.** Recommends \$322,218 GF and 1.0 position to support the Office of First Responder Wellness at the Department of Criminal Justice Services, bringing the total to \$622,318 GF the second year. The amount includes \$127,218 GF for a training and resource coordinator position and \$195,000 GF in operational funding to support trainings, conferences, resources, and other services.
  - Proposed language expands the use of the funds by: (i) allowing them to be used for memoranda of understanding, in addition to competitive grants; and (ii) authorizing services provided to all first responders, as opposed to solely law enforcement.
  - The Office of First Responder Wellness was established by the Department in 2022 and formalized in Executive Order 38, which also announced the reappropriation of \$3.0 million GF in FY 2024 funding to the Office from unexpended balances, the majority of which had initially been appropriated for the Safer Communities program.
- **Drug Abuse Resistance Education (DARE) Program.** Proposes \$30,000 GF the second year to York County-Poquoson Sheriff's Office for statewide administration of the DARE program, bringing the total to \$130,000 GF each year.

## – Department of Emergency Management

- **HazMat Disaster Response Fund Line of Credit Payment.** Proposes \$150,000 GF the first year to pay a debt for use of a line of credit for the Disaster Response Fund. The debt is due to uncollected reimbursement that was assessed

against parties that contributed to hazardous materials incidents but has been deemed uncollectable by the Office of the Attorney General (OAG) after all steps by Department, collections agencies, and the OAG have been taken.

- Historically, the Department has been provided periodic one-time funding to pay off the line of credit. Funding for this purpose was last provided in 2020.
- **Hazardous Materials Response Program Salaries (NGF).** Recommends \$23,991 NGF the first year and \$48,703 NGF the second year for a 3.0 percent salary increase each year for six NGF-supported, hazardous materials first responder state employees. The source of funds is the Commonwealth Transportation Fund.

## – Department of Fire Programs

- **Firefighter Protection Equipment Grant Fund.** Proposes \$5.0 million GF the second year to establish a grant program for non-vehicular protective equipment for firefighters, including breathing apparatuses. Funding may not be used to supplant local allocations from the Fire Programs Fund. Recommended language directs the Department to prioritize localities that: (i) score above average or high on the Department of Housing and Community Development fiscal stress index; (ii) are double-distressed according to the Virginia Economic Development Partnership Commonwealth Opportunity Funds Distressed Localities Assessment; and (iii) demonstrate a need for the equipment.
- **State Fire Marshal Positions.** Recommends \$688,290 GF and 6.0 positions the second year to address a reported increase in fire inspection workloads. According to the Department, fee collection rates have not changed since 2003 and are insufficient to cover the current workload.
- **Fire Programs Fund Positions.** Proposes an additional 4.0 positions each year to support training and management, including newly-created data analyst, logistics, and policy specialist positions. The source of the funds is the Fire Programs Fund.
- **Continue Assessment of Fire Inspections Language.** Proposes to direct the Department to assess fire safety inspection fees in cooperation with the State Fire Marshal's Office, the Virginia Fire Services Board, the Department of Housing and Community Development, and the Board of Housing and Community

Development, and to then submit a report to the Chair of the Senate Finance and Appropriations Committee, the Chair of the House Appropriations Committee, and the Director of the Department of Planning and Budget no later than October 17, 2025.

- Chapter 2, 2024 Acts of Assembly, Special Session I, required the Department of Fire Programs to submit a similar report on fire inspection fee options by November 1, 2024, except that the 2024 report did not require cooperation with the Department and Board of Housing and Community Development. As of December 2024, the final report has not been submitted.

## – Department of Forensic Science

- **Forensic Biologists.** Recommends \$292,801 GF and 2.0 forensic biologist positions the second year to address high case turnaround times amidst a 37.0 percent increase in DNA cases between 2017 and 2023.
- **New Central Laboratory Facility Maintenance Positions.** Proposes \$235,309 GF and 2.0 building operations specialist positions the second year to perform ongoing maintenance and repairs at the new, expanded Central Laboratory facility, which the Department of Forensic Science and Office of the Chief Medical Examiner plan to occupy by the third quarter of FY 2026.

## – Department of Juvenile Justice

- **Cost Increases for Committed Youth.** Recommends \$3.1 million GF the second year to address reported cost increases related to youth in state custody, including \$1.8 million for admissions & placements and \$1.3 million for contracted services.
- **Language for the Authority to Study Potential Local Partnerships to Increase Juvenile Correctional Center Capacity.** Proposes language authorizing the Department to study possible relationships with localities to increase state-run juvenile correctional center bed capacity for committed youth. If the Department pursues the study, the agency must report its findings and any recommendations to the Governor, Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and Director of the Department of Planning and

Budget by October 1, 2025, and may not take any actions related to the study's findings or recommendations.

## – Department of State Police

- **Officer Salary Pay Step.** Proposes \$3.3 million GF the second year to provide a 1.4 percent annual salary or “pay step” increase for sworn positions.
- **Additional LiveScan Machines.** Recommends \$2.4 million GF the first year in one-time funding for the upgrade or replacement of LiveScan machines in state and local criminal justice agencies. The machines are used to take electronic fingerprints for transmission to the Central Criminal Records Exchange. The agency estimates the amount will cover 108 of the 800 LiveScan machines that still need upgrades statewide.
  - Previously, \$2.8 million NGF from the American Rescue Plan Act was provided in FY 2022 and FY 2023 to support LiveScan server interfaces, computer network installation, and machines at all Virginia State Police offices.
- **Remove Funding for Vetoed Legislation.** Proposes to remove \$234,360 GF the first year provided in Chapter 2, 2024 Acts of Assembly, Special Session I, for legislation related to voter registration that was vetoed (SB 300 and HB 904) after passage of Chapter 2. The bills would have required the Department to provide monthly and annual lists of convicted felons to the Department of Elections to be used for registered voter list maintenance purposes.
- **Continue Virginia Criminal Information Network (VCIN) Upgrades.** Recommends \$2.2 million NGF the second year to continue upgrading VCIN, which is used by criminal justice agencies to access criminal records and other public safety information. As part of this multi-year project, the Department also received \$2.0 million NGF in FY 2025 and estimates needing \$2.7 million in FY 2027. The funding source is the Department’s nongeneral funds’ cash balances.
- **Express Lane NGF Positions.** Proposes 12.0 positions the second year for enforcement on privately-run express lane expansions on I-66 and I-95, which are funded by the entities operating the express lanes.



- **NGF Technical Appropriation Increases.** Proposes to increase several NGF appropriations the second year to align with increased revenues, including: \$5.0 million in federal grants, \$2.5 million for the Services Provided Fund, \$885,000 for the Sex Offender Registry Fund, \$750,000 associated with the eSummons system, and \$150,000 from the sale of surplus equipment and materials.

#### – **Virginia Parole Board**

- **Increase Supervisory Positions.** Recommends \$145,915 GF and 2.0 positions the second year to convert current wage positions into a full-time Chief Parole Examiner and a full-time Chief Pardon Examiner with the goal of increasing supervision of wage employees and increasing capacity during gubernatorial and Board Member transition periods.

# Transportation

<b>Governor’s Proposed Amendments to Transportation</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$215.5</b>	<b>\$10,999.3</b>	<b>\$110.0</b>	<b>\$10,702.3</b>
Proposed Increases	249.4	315.9	0.0	87.4
Proposed Decreases	<u>0.0</u>	<u>(4.1)</u>	<u>(84.5)</u>	<u>(108.5)</u>
\$ Net Change	\$249.4	\$311.8	(84.5)	(21.1)
<b>SB 800, as Introduced</b>	<b>\$464.9</b>	<b>\$11,311.1</b>	<b>\$25.5</b>	<b>\$10,681.2</b>

## – Virginia Commercial Space Flight Authority

- **Update Appropriation to Reflect Forecast.** Increases the nongeneral fund appropriation by \$96,903 in FY 2025 and \$1.0 million in FY 2026 to reflect the November 2024 revisions to the Transportation Trust Fund revenue forecast.

## – Department of Aviation

- **Support Roanoke Regional Airport Commission.** Recommends a short-term, interest-free, state-supported \$20.0 million treasury loan for the Roanoke Regional Airport Commission to support a runway modification project at the Roanoke-Blacksburg Regional Airport after the Secretary of Transportation has certified Federal Aviation Administration approval of the project.
- **Transfer Appropriation to Aviation and Airport Promotion Program.** Transfers \$105,000 NGF from agency administrative savings to support an increase in Aviation and Airport Promotion Program grants.

## – Department of Motor Vehicles

- **Support Mainframe Replacement Project.** Proposes \$25.0 million NGF the second year to support the costs of modernizing the agency's mainframe system and transitioning to a modern server-based system. The agency estimates the total project will cost \$89.0 million and will be completed in three years to five years.
- **Authorize Credit Card Convenience Fee.** Recommends language allowing the Department of Motor Vehicles (DMV) to charge a 1.5 percent convenience fee for all credit or debit card transactions over \$10,000. DMV estimates recovering \$500,000 annually for corporate credit card transactions.
- **Retain Rental Revenue.** Recommends a language-only amendment authorizing the DMV to retain income generated by the rental of space in agency-owned facilities. Without this language, the rental income would be deposited to the general fund.
- **Capital Outlay.** Recommends \$4.0 million NGF the first year and \$27.5 million NGF the second year for proposed capital outlay budget changes within the Department of Motor Vehicles (DMV).
  - Proposes \$4.0 million NGF the first year and \$11.5 million NGF the second year to increase the existing maintenance reserve project allocation.
  - Recommends \$16.0 million NGF the second year to fund the next phase of the previously approved project to renovate the DMV headquarters. This renovation supports a space consolidation plan allowing DMV to rent the space.

## – Department of Motor Vehicles Transfer Payments

- **Update Appropriation for Increased Payments.** Proposes increasing the nongeneral fund appropriation by \$2.5 million each year to support payments to localities based on increased mobile home sales tax collections.

## – Department of Rail and Public Transportation

- **Update WMATA Operating Assistance.** Recommends shifting \$73.4 million GF of operating support for the Washington Metropolitan Area Transit Authority

(WMATA) from FY 2026 to FY 2025. The proposed amendment states that it is capturing \$11.1 million GF in savings due to updated subsidy figures and the removal of support for base subsidy growth.

## – **Virginia Department of Transportation**

- **Update Revenues to Reflect Financial Plan.** Proposes several actions to update agency appropriations by \$313.3 million NGF the first year and a decrease of \$106.9 million NGF the second year based on November 2024 revised revenue estimates, program adjustments, agency operations, and the Transportation Six-Year Financial Plan, as approved by the Commonwealth Transportation Board in June 2024.
- **Interstate 81 Corridor Improvement Program.** Recommends \$175.0 million GF the second year to support the advancement of projects in the Interstate 81 Corridor Improvement Program. This appropriation represents excess 2024 general fund revenue contingently reserved by the Comptroller in the Committed Fund balance pursuant to Item 470, Chapter 2, 2024 Acts of Assembly, Special Session I.
- **Clarify Toll Relief Language.** Recommends amending language for the state-supported toll relief program authorized by Chapter 2, 2024 Acts of Assembly, Special Session I.
  - Proposed language would clarify the toll relief program is designed for eligible drivers defined as registered drivers and who live within a locality with a score of 104 or higher on the fiscal stress index and with a median household income between \$53,000 and \$57,000, as published by the Department of Housing and Community Development in July 2023, in addition to all other parameters established by Chapter 2, 2024 Acts of Assembly, Special Session I. This would restrict eligibility to individuals whose primary residence is in Norfolk and Portsmouth and remove individuals from Newport News, Hampton, and Franklin.
  - Language recommends the existing state-supported funding, as authorized by Chapter 2, 2024 Acts of Assembly, Special Session I, be used to supplement, to the extent funds are available, the Toll Relief program administered by the

Virginia Department of Transportation (VDOT) and funded by Elizabeth River Crossing (ERC). Requires VDOT to annually determine if there are any changes needed to the Toll Relief program's annual eligibility and parameters to maintain the program with the funding provided by ERC.

- The proposed language would also require VDOT to notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees of any projected shortfall and amounts to be supplemented from the Eligible Drivers Toll Relief Fund 15 days prior to making any allocation or expenditure for such purpose.
- **Eliminate Tolling on the George P. Coleman Bridge.** Recommends language eliminating the collection of tolls, fees, and charges for the use of George P. Coleman Bridge, which connects Gloucester Point and York, by July 1, 2026.
  - Includes proposed language eliminating the reimbursement to the Toll Facility Revolving Account from available George P. Coleman Bridge funds, if funds are not available for reimbursement. VDOT estimates the outstanding balance on the loan from the Toll Facility Revolving Account is \$29.6 million. The amendment assumes there are sufficient balances in the Toll Facility Revolving Account to absorb the loan forgiveness.
- **Authorize the Sale of Three Properties.** Proposes language to authorize the sale of three properties and allows VDOT to retain the proceeds to supplement and support existing maintenance reserve and capital project needs.
  - Language authorizes the sale of the Anderson Area Headquarters property in Buckingham, the Manteo Area Headquarters property in Buckingham, and the Yellow Branch Area Headquarters property in Campbell County.

## – **Department of Transportation Transfer Payments**

- **Update Appropriations for Regional Transportation Programs.** Proposes updating agency appropriations for regional transportation programs by \$58.6 million NGF the second year, based on the available revenues projected in the November 2024 motor vehicle fuels tax revenue forecast.

- **Update Revenues to Reflect Financial Plan.** Recommends several actions to update agency appropriations by a decrease of \$4.1 million NGF the first year and a decrease of \$1.6 million NGF the second year based on November 2024 revised revenue estimates, program adjustments, agency operations, and the Transportation Six-Year Financial Plan, as approved by the Commonwealth Transportation Board in June 2024.

– **Virginia Port Authority**

- **Support Back Creek Dredging Project.** Proposes \$1.0 million GF the first year to support dredging Back Creek off the York River in York County.

# Veterans and Defense Affairs

<b>Governor’s Proposed Amendments to Veterans and Defense Affairs</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$80.2</b>	<b>\$181.1</b>	<b>\$57.0</b>	<b>\$181.1</b>
Proposed Increases	5.5	0.9	0.5	1.0
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$5.5	\$0.9	\$0.5	\$1.0
<b>SB 800, as Introduced</b>	<b>\$85.6</b>	<b>\$182.0</b>	<b>\$57.5</b>	<b>\$182.1</b>

## – Department of Veterans Services

- **New Veterans Care Centers.** Proposes \$4.7 million GF the first year in stated one-time funding for the two new veterans care centers, Jones & Cabacoy (phased opening beginning fall 2023) and Puller (expected opening 2025). According to the Department, the amount would help address projected operating budget shortfalls in the 2024-26 biennium.
  - Chapter 2, 2024 Acts of Assembly, Special Session I, provided \$19.1 million GF in one-time funding for this purpose and directed the Department to submit a business plan by September 1, 2024, demonstrating how the veterans care centers will operate using solely nongeneral funds after the start-up general fund support is exhausted. As of December 2024, the Department has not submitted the required business plan.
- **Information Technology Systems.** Recommends \$812,142 GF the first year and \$339,956 GF and 1.0 position the second year to support development, maintenance, and security of the agency’s IT systems, including one-time funding

the first year for text messaging capabilities in the Veteran Engagement and Scheduling Application system.

- **Veterans Education Training and Employment Transition Specialist.** Proposes \$126,068 GF and 1.0 position the second year for a specialist to promote awareness of the Department's services when service members arrive for active duty in Virginia, with the goal of engaging with potential Virginia veterans before they begin transitioning to civilian status.
- **NGF Veterans Care Center Positions.** Recommends 6.0 positions the second year to allow Davis & McDaniel Veterans Care Center to replace contractors with state employees, including four certified nursing assistants, a registered nurse, and a pharmacist. According to the Department, the action will save \$91,808 annually and increase continuity of care.
- **Veterans Care Center Line of Credit.** Proposes authorization of a \$2.6 million line of credit to support operations at Davis & McDaniel Veterans Care Center. According to the Agency, delays in federal payments, including from the U.S. Department of Veterans Affairs, have contributed to cash flow timing issues.

#### – **Veterans Services Foundation**

- **Increase Grant Writer Hours.** Recommends \$31,200 GF the second year for additional hours for an existing grant writer wage position, with the goal of pursuing additional opportunities to support Virginia's veterans.
- **Website Security Maintenance.** Proposes \$12,000 GF the second year to cover costs associated with website security compliance.
- **Increased Travel Costs.** Recommends \$7,000 GF the second year to cover increased staff travel costs.

#### – **Department of Military Affairs**

- **Expand "STARBASE" Youth Program (NGF).** Proposes \$858,540 NGF the first year, \$462,500 NGF the second year, and 4.0 positions each year to support a new STARBASE program in Blackstone, in addition to the current program in Winchester.



- STARBASE is a science, technology, engineering, and mathematics youth program that is federally funded through the U.S. Department of Defense.
- **State Active-Duty Response Appropriation (NGF).** Recommends \$500,000 NGF the second year to support an existing line of credit for state active-duty response expenditures. According to the agency, this would mitigate the need for administrative adjustments to improve response times during state active-duty missions.
- **Capital Line of Credit.** Proposes an additional line of credit of \$12.0 million for federally reimbursable capital projects.

# Central Appropriations

<b>Governor’s Proposed Amendments to Central Appropriations</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$253.1</b>	<b>\$53.4</b>	<b>\$431.1</b>	<b>\$53.4</b>
Proposed Increases	10.0	9.4	66.2	0.0
Proposed Decreases	<u>(2.4)</u>	<u>0.0</u>	<u>(1.3)</u>	<u>0.0</u>
\$ Net Change	\$7.6	\$9.4	\$64.9	\$0.0
<b>SB 800, as Introduced</b>	<b>\$260.7</b>	<b>\$62.8</b>	<b>\$496.0</b>	<b>\$53.4</b>

## – Central Accounts Distributions

- **Fund Agency Health Insurance Premium Costs.** Proposes \$40.5 million GF the second year for the employer share of health insurance premiums. The latest actuarial report projects health insurance costs will increase by approximately 9.0 percent in FY 2026; however, a combination of additional pharmacy benefit rebates and the state Health Insurance Fund is projected to support a portion of the increase. The rates for the state's self-insured plans assume an increase of 6.0 percent the second year. The rates for the state's two fully insured plans, Kaiser Permanente and Optima Health, are funded at the estimated contractually determined rates.
- **Adjust Funding for Higher Education Credit Card Rebates and Interest Earnings.** Recommends \$10.0 million GF and \$9.4 million NGF the first year to reflect the actual amounts needed in FY 2025 to pay higher education credit card rebates and interest earnings. Credit card rebates and interest earnings are earned in the state treasury on nongeneral fund educational and general programs of institutions of higher education. These funds are returned to the respective institutions if they meet certain performance benchmarks.

- **Adjust Agency Premiums for Property Insurance.** Proposes \$10.1 million GF the second year for the general fund share of changes to property insurance premiums billed by the Division of Risk Management in the Department of the Treasury to state agencies.
- **Fund Changes in Agency Rent Costs.** Recommends \$7.5 million GF the second year for state agency rent costs in facilities operated by the Department of General Services. This adjustment reflects updated costs due to changes in projected agency square footage occupancy and revised rental rates. Funding is also included to support the operational costs of the James Monroe Building as tenant agencies vacate.
- **Adjust Funding for Changes in Agency Information Technology Costs.** Proposes to capture \$1.9 million GF the first year and add \$6.1 million GF the second year for changes in information technology and telecommunications usage by state agencies. The funding reflects the latest utilization estimates provided by the Virginia Information Technologies Agency, actual rates for FY 2025, and proposed rates for FY 2026.
- **Fund Inauguration and Transition for Statewide Elected Offices.** Recommends \$2.0 million GF the second year for transition offices and inauguration costs associated with the 2025 elections for Governor, Lieutenant Governor, and Attorney General. Funding is also included for the Secretary of Administration's Division of Executive Administrative Services for their role in the transition.
- **Adjust Funding for State Workers' Compensation Premiums.** Proposes to capture \$1.0 million GF the second year in savings for state agency workers' compensation premiums based on the latest actuarial report. Premiums include the scheduled payback of the working capital advance used to settle workers' compensation claims.
- **Adjust funding for Line of Duty Act Premiums.** Recommends reducing \$417,665 GF the first year from participating state agencies for changes in Line of Duty Act premiums based on the latest employee enrollment data provided by the Virginia Retirement System.

- **Reduce Funding Provided for Minimum Wage Increases.** Proposes to capture \$112,801 GF the first year and \$267,145 GF the second year in funding provided to support the increases in the Virginia minimum wage scheduled for January 1, 2025, and January 1, 2026, that was to be transferred to agencies. The Appropriation Act assumes a minimum wage of \$12.46 per hour effective January 1, 2025, however, the actual Virginia minimum wage established by the Commissioner of the Department of Labor and Industry will be \$12.41 per hour. Under current law, the actual Virginia minimum wage is established by the Commissioner of the Department of Labor and Industry by October 1<sup>st</sup> each year based on changes in the Consumer Price Index.
- **Revert Surplus General Fund Balance.** Recommends budget language requiring the Director, Department of Planning and Budget, to revert residual general fund balances of \$994,429 GF in Central Accounts.

# Independent Agencies

<b>Governor’s Proposed Amendments to Independent Agencies</b>				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
<b>2024-26 Budget</b> (Ch. 2, 2024 Special Session I)	<b>\$36.2</b>	<b>\$2,761.0</b>	<b>\$78.2</b>	<b>\$2,842.4</b>
Proposed Increases	0.0	7.5	0.0	357.6
Proposed Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$0.0	\$7.5	\$0.0	\$357.6
<b>SB 800, as Introduced</b>	<b>\$36.2</b>	<b>\$2,768.6</b>	<b>\$78.2</b>	<b>\$3,200.0</b>

## – State Corporation Commission

- **Fund the Commonwealth Health Reinsurance Program.** Proposes \$127.8 million NGF the second year for the Commonwealth Health Reinsurance Program in order to pay health insurance carriers for eligible expenses. The federal funding awarded is \$481.9 million. The current appropriation for FY 2026 in federal funds is \$354.1 million and this action provides sufficient appropriations to pay all expenses.
- **Fund Central Accounts Actions.** Recommends \$4.6 million NGF the second year to fund Central Accounts actions approved in Chapter 2, 2024 Acts of Assembly, Special Session I. These actions reflect the statewide salary increase and other fringe benefit changes.

## – Virginia Lottery

- **Fund an Increase in Player Prize Payouts.** Proposes \$200.0 million NGF for online lottery winnings to account for the increased player prize payouts.

- **Address Increase in Operational Costs.** Recommends \$23.4 million NGF the second year for increased operation costs directly related to the sale of lottery products.
- **Treasury Loan Authorization for Potential Virginia Gaming Commission.** Includes budget language authorizing a treasury loan for up to \$10.0 million for implementation costs associated with the potential creation of a Virginia Gaming Commission or other such combined gaming agency.

#### – **Commonwealth Savers Plan**

- **Authorize Use of Defined Benefits Plan Actuarial Surplus to Support the Virginia Military Survivors and Dependents Program.** Recommends the transfer of \$60.0 million NGF each year from the actuarial surplus from Defined Benefit 529 programs to the State Council of Higher Education for Virginia's Virginia Military Survivors and Dependents financial aid program. It is anticipated these transfers will continue in the outgoing fiscal years.

#### – **Virginia Alcoholic Beverage Control Authority**

- **Reduce Net Profit Transfer.** Proposes a reduction of the transfer from Alcoholic Beverage Control Authority (ABC) to the general fund by \$1.0 million the first year and \$74.9 million the second year. These estimates reflect the amount approved by the ABC Board in October 2025 for submission to the Governor's Advisory Council on Revenue Estimates (GACRE). The first year amount assumes no sales growth compared to FY 2024 and the second year amount reflects a growth rate of 1.0 percent over FY 2025.
  - Chapter 2, 2024 Acts of Assembly, Special Session I, assumed a sales growth rate of 1.5 percent in the first year, based on the forecast presented to the ABC Board in March 2024, and a growth rate of 5.0 percent in the second year, based on the forecast adopted by the ABC Board in fall 2023 and assumed in the 2024 introduced budget.

#### – **Opioid Abatement Authority**

- **Fund Anticipated Revenues and Awards.** Proposes \$7.5 million NGF the first year and \$1.7 million NGF the second year to reflect anticipated settlement

revenues and awards to eligible parties. Additionally, language in the table for the Commonwealth Opioid Abatement and Remediation Fund (COAR) is updated to reflect two amendments to appropriate COAR funds in other agencies.

# Capital Outlay

Capital Outlay Funding			
(\$ in millions)			
Fund Type	Chapter 2, 2024 Special Session I	SB 800 Amendments	SB 800 Proposed Total
General Fund	\$951.7	\$1,367.2	\$2,318.9
VPBA/VCBA Tax-Supported Bond	900.9	(400.0)	500.9
9(c) Revenue Bonds	124.3	206.1	330.0
9(d) Revenue Bonds	9.3	31.5	40.8
Nongeneral Fund Cash	<u>771.3</u>	<u>165.8</u>	<u>937.1</u>
<b>Total</b>	<b>\$2,757.5</b>	<b>\$1,370.6</b>	<b>\$4,128.1</b>

The proposed amendments to the capital outlay budget for the 2024-26 biennium totals \$1.4 billion from all funds, including a net \$967.2 million in general fund supported projects, \$165.8 million in nongeneral fund cash, \$31.5 million in 9(d) nongeneral fund revenue bonds, and \$206.1 million in 9(c) nongeneral fund revenue bonds. The projects or existing projects can be organized into the following categories:

Capital Outlay Funding Categories					
(\$ in millions)					
Major Category	GF Cash	GF Debt	NGF Cash	NGF Debt	Total
Supplements	\$77.9	\$0.0	\$0.0	\$0.0	<b>\$77.9</b>
Supplant Debt for GF	400.0	(400.0)	0.0	0.0	<b>0.0</b>
Maintenance Reserve	0.0	0.0	0.0	0.0	<b>0.0</b>
Improvements / Deferred Maintenance	113.3	0.0	97.5	0.0	<b>210.8</b>
New Construction / Renovations	715.0	0.0	48.8	237.6	<b>1,001.4</b>
Acquisition	0.0	0.0	10.4	0.0	<b>10.4</b>
Planning	46.5	0.0	9.1	0.0	<b>55.6</b>
Equipment	<u>14.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>14.5</u>
<b>Total</b>	<b>\$1,367.2</b>	<b>(\$400.0)</b>	<b>\$165.8</b>	<b>\$237.6</b>	<b>\$1,370.6</b>

\* May not sum due to rounding.



## – Stand-Alone Projects

- **DGS Commonwealth Courts Building Planning.** Recommends \$14.5 million GF for the Department of General Services (DGS) to proceed with detailed planning, working drawings, and demolition of the Pocahontas Building for a new Commonwealth Courts Building. The scope was approved by the Six-Year Capital Outlay Plan Advisory Committee pursuant to the language in Chapter 2, 2024 Special Session I.
- **DGS New State Office Building.** Proposes to authorize existing funds to plan for a new State Office Building at the VDOT Annex site (1401 East Broad Street). The project scope is 350,000 square feet, based on the DGS study required in Chapter 2, 2024 Special Session I. The existing project for a building at 7<sup>th</sup> and Main St. has \$22.1 million appropriated with \$16.7 million in unspent appropriation. Language proposes selling the 7<sup>th</sup> and Main Street site at a fair market value with the proceeds going to the general fund.
- **DGS James Monroe Building Tenants.** Recommends \$35.0 million GF to support DGS with renovations to state-owned buildings at the seat of government and moving expenses to relocate agencies from the Monroe Building. Additionally, proposes to remove language prohibiting the move of executive branch agencies from the James Monroe Building or the Lottery from entering a lease to permanently relocate from Main Street Centre.
- **DGS Relocate Office of Fleet Management Services.** Includes language authorizing the Department of Planning and Budget (DPB) to approve an interest-free treasury loan for the Department of General Services (DGS) to acquire and improve a property to relocate the Fleet Management Services from the current state-owned property at 2400 West Leigh Street. The treasury loan must not exceed the fair-market value and is to be repaid with the proceeds from the sale of the current property at fair market value. Any excess proceeds from the sale of the current property and the authorized treasury loan are to be deposited to the general fund.
- **CWM Construct West Woods Phase 2.** Includes \$120.0 million NGF from 9(c) revenue bond proceeds for the College of William and Mary to complete phase 2 of the Housing and Dining Comprehensive Facilities Plan.

- **GMU Critical Deferred Maintenance.** Proposes \$8.0 million GF for an umbrella project at George Mason University to address deferred maintenance needs. This brings total funding to \$16.0 million.
- **JMU Construct Student Housing.** Includes \$86.1 million NGF from 9(c) revenue bond proceeds for James Madison University to construct new student housing.
- **LU Replace IT Network and Security Equipment.** Proposes \$2.2 million GF and \$551,454 NGF to support Longwood University with the replacement of surveillance cameras and an emergency telephone system.
- **NSU Campus Security.** Recommends \$2.6 million GF for Norfolk State University to improve campus security, including fencing, lighting, and emergency call stations. Proposed language prohibits the use of funds for land acquisition.
- **RU Renovate Dalton Hall.** Includes \$52.3 million NGF from higher education operating funds for Radford University to renovate the existing dining hall, including improvements for accessibility, mechanical and electrical systems, and building code compliance.
- **UMW Address Energy Infrastructure.** Proposes \$4.4 million GF and \$650,000 NGF for University of Mary Washington to improve energy infrastructure, efficiency, and sustainability.
- **VSU Improve Life Safety.** Proposes \$6.6 million GF for Virginia State University to improve life safety across academic buildings.
- **SMV Community Green Space.** Recommends \$6.3 million NGF at the Science Museum to expand the urban green space adjacent to the Museum at the site of the old Workers' Compensation Building.
- **DBHDS Renovate, Repair, and Upgrade Facilities.** Proposes \$52.1 million GF for an umbrella project at the Department of Behavioral Health and Developmental Services to renovate, repair, and upgrade facilities. Existing language would allow these funds to be shifted to other existing DBHDS capital projects. The scope includes improvements to HVAC and duress systems at Catawba HVAC and duress (\$32.0 million), to improve security and HVAC at Piedmont Geriatric Hospital (\$19.0 million), and to install metal detectors at Commonwealth Center for Children and Adolescents (\$2.1 million).

- **DCR State Park Acquisition.** Proposes \$10.4 million NGF at the Department of Conservation and Recreation for state park land acquisition and adds Widewater State Park to the acquisition list.
- **DMV Maintenance Reserve.** Recommends \$4.0 million NGF the first year and \$11.5 million NGF the second year at the Department of Motor Vehicles (DMV) to fund maintenance reserve needs at DMV facilities, increasing the total to \$17.5 million.
- **DMV Renovate Headquarters.** Includes \$16.0 million NGF the second year for DMV to renovate its headquarters, increasing the project's total to \$30.8 million. This will allow for redesigned floor plans to consolidate the agency's use of the building and create leasable space that can generate income. This could negatively impact the state rent plan revenue if a state agency leaves the Department of General Services' space. A companion amendment in operating allows DMV to retain the income generated by the rental of space in agency-owned facilities.
- **DVS Veterans Cemetery.** Proposes \$6.2 million NGF from federal funds for improvements at three veterans' cemeteries at the Department of Veterans Services. In addition to the proposed appropriation, it provides the authorization for short-term, interest-free treasury loans for design costs and to assist with cash flow during the reconstruction of the flagpole area and service shield at each cemetery.

<b>Proposed Improvements Veterans Cemeteries</b>		
	<b>NGF</b>	<b>Treasury-Loan</b>
Dublin Veterans Cemetery	\$330,000	\$100,000
Suffolk Veterans Cemetery	330,000	100,000
Amelia Veterans Cemetery	<u>5,500,000</u>	<u>1,000,000</u>
<b>Total</b>	<b>\$6,160,000</b>	<b>\$1,200,000</b>

- **DMA Army Aviation Support Facility.** Proposes \$2.5 million GF for construction of two connector roads at the Army Aviation Support Facility in Sandston under

the Department of Military Affairs. These funds support matching funds from the federal government and it is expected that Henrico County and Richmond International Airport will provide \$1.1 million each.

– **Central Capital**

- **2025 Public Educational Institution Pool.** Proposes \$448.2 million GF, \$48.8 million in NGF higher education operating funds, and \$31.5 million in 9(d) revenue bonds for eight higher education projects.

<b>2025 Public Educational Institution Capital Pool</b>	
<b>Agency</b>	<b>Project</b>
William and Mary	Replace Law School Central Utility Plant
Virginia Tech	Expand Virginia Tech-Carilion School of Medicine and Fralin Biomedical Research Institute (18682)
Virginia Military Institute	Construct Center for Leadership and Ethics Facility, Phase II, and Parking Structure (18542)
Virginia State University	Renovate Virginia Hall (18757)
Longwood University	Replace Roof, Windows, and External Doors Lankford Hall
Virginia Commonwealth University	Acquire Altria Building
Virginia Community College System	Renovate Amherst/Campbell Hall, Central Virginia (18343)
Institute for Advanced Learning and Research	Expand Center for Manufacturing Advancement (18705)
	<b>\$448.2 million GF</b>
	<b>Total \$48.8 million NGF</b>
	<b>\$31.5 million 9(d) revenue bonds</b>

- Includes language designating DGS as the project manager for the Renovate Virginia Hall (18757) project at Virginia State University.
- **2025 State Agency Pool.** Proposes \$130.5 million GF for eight state agency projects. Proposes language to modify the Department of State Police’s scope for the Division Six Headquarters from a construction to an acquisition project. The construction project was previously authorized in the fourth enactment clause of Chapters 759 and 769 of the 2016 Acts of Assembly and amended in Item C-66 of Chapter 552 of the 2021 Acts of Assembly, Special Session I.

<b>2025 State Agency Capital Pool</b>	
<b>Agency</b>	<b>Project</b>
Department of Military Affairs	Construct State Military Reservation (SMR) Training and Emergency Operations Facility
Department of State Police	Acquire Division Six Headquarters (18326)
Department of General Services	Renovate Patrick Henry Building Administration Offices
Virginia School for the Deaf and the Blind	Renovate Main Hall Interior
Virginia Museum of Fine Arts	Install Fire Protection System
Department of Behavioral Health and Developmental Services	Replace retherm units at state facilities
Department of Juvenile Justice	Replace sprinkler system in Bon Air Juvenile Correctional Center expansion building
Department of Veterans Services	Acquire Additional Land for Suffolk Veterans Cemetery
<b>Total \$130.5 million GF</b>	

- Wastewater Treatment Upgrades.** Includes \$400.0 million GF the first year to supplant \$400.0 million in existing tax-supported debt authorization for Water Quality Improvement Fund eligible wastewater projects. The general fund is the contingent FY 2024 revenue surplus committed on the FY 2024 preliminary balance sheet, pursuant to Item 470 K.2. of Chapter 2, 2024 Acts of Assembly, Special Session I.
- Capital Equipment Pool.** Includes an additional \$14.5 million GF for equipment purchases for projects nearing completion and supports four projects.

<b>Capital Equipment Pool Additions</b>	
<b>Agency</b>	<b>Project</b>
Longwood University	Wygat Hall Replacement (18425)
Christopher Newport University	Replace Plant Operations and Warehouse Building (18704)
Virginia Community College System	Replace French Slaughter Building, Locust Grove, Germanna (18340)

<b>Capital Equipment Pool Additions</b>	
<b>Agency</b>	<b>Project</b>
Department of Agriculture and Consumer Services	Expand regional animal health laboratories in Harrisonburg, Lynchburg, and Warrenton (18664)

- **Planning Pool.** Proposes \$32.0 million GF and \$9.1 million NGF from replenished Central Capital Planning Funds to support detailed planning of seven projects.

<b>Planning Pool Additions</b>	
<b>Agency</b>	<b>Project</b>
Department of General Services	Replace State Laboratory (18706)
Wilson Workforce and Rehabilitation Center	Perform structural repairs on the Birdsall Hoover Medical Building and Watson Student Activities Building
Wilson Workforce and Rehabilitation Center	Replace Switzer student workforce transition (PERT) facility
Radford University	Construct Roanoke Academic Building
Old Dominion University	Address Oceanography Building Deferred Maintenance
Virginia Community College System	Replace Buchanan and Tazewell Halls, Southwest Virginia CC (18687)
Department of Behavioral Health and Developmental Services	Food Service Renovations Statewide (18547)

- Proposes to transfer \$250,000 GF to the Central Capital Planning Fund to authorize pre-planning for construction of a new technology classroom building at the University of Virginia College at Wise.
- Language clarifies the scope proposed for the renovation of Johnston Hall at James Madison University to match the previously authorized detailed planning project.

- Language clarifies the scope proposed for the Department of Behavioral Health and Developmental Services (DBHDS) Food Service Renovations Statewide project (18547), originally authorized in Item C-66, Chapter 1289, 2020 Acts of Assembly, to include food service renovations at the Northern Virginia Mental Health Institute, Southwestern Virginia Mental Health Institute, Catawba Hospital, and Southern Virginia Mental Health Institute. The scope no longer includes the replacement of retherm units, which is proposed in the 2025 State Agency Capital Pool under C-52.20.
- **2024 State Agency Pool: DBHDS Hiram Davis.** Recommends language allowing the existing Department of Behavioral Health and Developmental Services (DBHDS) project, which addresses heating and hot water at Hiram Davis Medical Center, to be used for temporary capital needs necessary to provide heat and hot water at Hiram Davis Medical Center pending the recommendations of the State and Community Consensus and Planning Team established pursuant to § 37.2-316, Code of Virginia, and final disposition of the facility.
- **2022 Supplement Pool.** Recommends \$62.4 million GF for the 2022 Supplement Pool to supplement the Replace Randolph Hall project at Virginia Tech and the Science Museum's construction of the Regional Science Center in Northern Virginia. Additionally, proposes language allowing the Six-Year Capital Outlay Plan Advisory Committee to develop additional criteria for the use of supplement pool funding for projects with a funding report after April 1, 2022. Currently, the supplement pool is limited to cost overruns of up to 105.0 percent of the project's cost if the funding report is issued after April 1, 2022.
- **2022 State Agency Pool: State Police Training Academy.** Proposes \$136.3 million GF to the 2022 State Agency Capital Pool to provide sufficient funding for the pool. Proposed language authorizes full planning and construction for the replacement of the State Police Training Academy after scope approval by the Six-Year Capital Outlay Plan Advisory Committee. Language recommends that DGS serve as the project manager for the project.
- **2020 VPBA Capital Pool: Water Infrastructure to State Facilitates Nottoway.** Proposes language to clarify that the intended scope of the Nottoway Water Infrastructure project is for DGS to replace the Town of Crewe's water treatment

plant equipment and infrastructure, replace the main water transmission line, improve the raw water intake line and pumps, and increase water capacity by creating wells or raising the reservoir. DGS is authorized to transfer the ownership and operation to Crewe after the project is concluded. Currently, the proposed project scope is more than originally assumed in the 2020 VPBA Capital Pool. Language proposes the use of funding from the 2022 Supplement Pool to cover the proposed project's increased cost than originally assumed in Item C-67, Chapter 1289, 2020 Acts of Assembly.

- **2020 VCBA Capital Pool: NVCC Goodwin Building.** Proposes \$15.5 million GF to support a scope change for the Renovate Godwin Building, Annandale Campus, Northern Virginia (18087) project at the Virginia Community College System from a renovation to a replacement project. The project was originally authorized for construction in Item C-68, Chapter 1289, 2020 Acts of Assembly and will require a supplement from the 2022 Supplement Pool to cover cost increases prior to this proposed scope change.
- **Transfer Unutilized Bond Authorization and GF Appropriations.** Recommends transferring \$2.2 million in unutilized Virginia College Building Authority (VCBA) bond authorization and appropriation and \$6.0 million in unutilized general fund appropriations to the 2020 VCBA Capital Construction Pool project (18494). The largest transfer is \$6.0 million GF from the Improve and Convey Property in Clarke County project (18686). Clarke County did not want DGS to conduct abatement on the property prior to conveyance.

Additionally, recommends transferring \$1.9 million Virginia Public Building Authority (VPBA) bond authorization and appropriation and \$442,591 in unutilized general fund appropriation to the 2020 VPBA Capital Construction Pool project (18493).

- **Lease Authorization Language.** Recommends language authorizing DGS to enter leases for the Department of Correction's probation and parole offices in the City of Franklin, Lynchburg, Newport News, Tazewell and Winchester and for the Department of Emergency Management to lease warehouse space for disaster logistics, only if the agency has sufficient existing funding to cover the payment and if DGS determines insufficient state space to meet their needs.



- **Six-Year Capital Outlay Plan Advisory Budget Recommendations.** Proposes language to override § 2.2-1515 et. seq. of the Code of Virginia that requires the Six-Year Capital Outlay Plan Advisory Committee to make capital budget recommendations to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. In prior years, the Committees staff have abstained from endorsing formal recommendations.

# SB 800 Appendices

<b>Direct Aid for Public Education 2024-25 Summary</b>	<b>A</b>
<b>Direct Aid for Public Education 2025-26 Summary</b>	<b>B</b>
<b>Capital Outlay Actions</b>	<b>C</b>
<b>Summary of Detailed Actions in Budget</b>	<b>D</b>

# **SB 800**

# **APPENDIX A**

Direct Aid to Public Education  
2024-25 Summary

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2025

School Division	Key Data Elements		FY 2025 Appropriation (Chapter 2)	Technical Updates						FY 2025 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2025 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non- SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Update VPI Participation	
ACCOMACK	.3487	4,480	\$50,446,944	\$54,527	(\$460,388)	(\$87,841)	\$375,936	(\$924,045)	(\$9,090)	\$49,396,043
ALBEMARLE	.6904	13,687	70,159,784	380,747	160,070	(72,087)	353,540	1,356,899	(39,872)	72,299,081
ALLEGHANY HIGHLANDS	.2737	2,605	32,858,871	26,290	183,026	25,342	21,091	242,062	(173,754)	33,182,927
AMELIA	.3758	1,518	14,466,860	23,453	(52,031)	37,695	38,763	504,071	0	15,018,812
AMHERST	.3015	3,691	41,024,256	44,540	(32,216)	67,961	62,327	(210,773)	(150,392)	40,805,703
APPOMATTOX	.2822	2,311	23,800,557	23,967	(11,556)	(12,522)	9,500	449,692	(100,171)	24,159,468
ARLINGTON	.8000	27,092	111,617,985	783,934	(159,174)	24,827	917,841	1,035,296	(411,989)	113,808,719
AUGUSTA	.3888	9,645	89,156,136	144,191	(138,401)	(41,832)	173,832	(356,905)	363,110	89,300,132
BATH	.8000	473	2,591,521	13,149	(3,772)	0	(1,223)	16,623	2,990	2,619,288
BEDFORD	.3132	8,519	82,107,622	120,586	290,711	76,500	93,214	(1,208,389)	(253,303)	81,226,941
BLAND	.3046	800	7,935,018	6,968	8,600	0	3,996	482,662	(33,272)	8,403,972
BOTETOURT	.4068	4,237	37,110,698	66,725	130,715	(39,405)	80,181	(555,324)	105,252	36,898,842
BRUNSWICK	.4379	1,302	17,472,537	25,884	(3,404,614)	(16,596)	(17,313)	(72,326)	5,603	13,993,174
BUCHANAN	.2557	2,181	26,688,029	21,521	(75,897)	(68,921)	28,041	136,553	0	26,729,326
BUCKINGHAM	.3379	1,711	19,595,844	25,172	29,588	(17,770)	23,175	(408,447)	170,275	19,417,838
CAMPBELL	.2877	7,392	75,478,338	78,920	(112,522)	21,030	112,537	(793,179)	276,908	75,062,032
CAROLINE	.3501	4,256	41,746,666	60,067	152,891	(18,752)	143,480	(735,255)	366,666	41,715,762
CARROLL	.2804	3,247	36,188,494	35,617	(73,568)	69,530	123,250	470,391	258,228	37,071,943
CHARLES CITY	.6669	473	4,031,069	15,348	10,113	8,270	1,150	48,797	24,920	4,139,667
CHARLOTTE	.2470	1,611	18,943,586	14,076	(33,137)	8,590	19,002	200,690	4,504	19,157,311
CHESTERFIELD	.3563	62,319	543,979,473	793,359	556,915	1,501,363	3,759,256	(3,675,502)	(5,831,225)	541,083,638
CLARKE	.6032	1,835	11,714,892	44,821	(14,308)	0	33,912	(175,041)	(24,362)	11,579,913
CRAIG	.3629	452	5,201,252	7,953	(17,711)	0	0	126,889	137,173	5,455,555
CULPEPER	.3617	8,198	76,432,586	113,777	(376,589)	0	810,370	451,871	(699,774)	76,732,241
CUMBERLAND	.3323	1,179	14,444,899	15,817	(57,108)	4,480	33,576	850,301	0	15,291,965
DICKENSON	.2157	1,699	21,960,872	14,353	120,602	8,421	6,111	(574,419)	0	21,535,940
DINWIDDIE	.2978	4,003	44,542,506	43,338	3,441	55,599	72,548	(554,532)	109,193	44,272,094
ESSEX	.4189	1,031	10,756,775	19,237	(30,173)	17,547	(1,546)	(312,225)	(12,743)	10,436,872
FAIRFAX	.6579	171,349	1,025,520,572	4,173,410	(3,701,365)	362,458	5,712,077	(4,400,443)	(1,139,629)	1,026,527,079
FAUQUIER	.6006	10,622	69,180,801	249,279	(499,526)	(1,340)	319,156	406,426	(205,050)	69,449,746
FLOYD	.4056	1,601	14,769,222	28,486	(154,035)	45,468	6,768	151,949	0	14,847,859
FLUVANNA	.3934	3,208	29,618,480	51,065	(165,874)	0	14,634	48,151	(151,164)	29,415,292
FRANKLIN	.4596	5,766	48,605,616	111,599	(226,435)	(49,678)	68,897	(183,450)	84,033	48,410,583
FREDERICK	.4151	14,177	120,608,276	215,530	194,618	26,295	791,333	267,422	(1,490,267)	120,613,206
GILES	.2117	3,502	35,686,831	16,837	(30,521)	(18,513)	57,365	305,532	(179,158)	35,838,373
GLOUCESTER	.3999	4,742	41,684,885	75,623	62,798	(4,832)	42,443	(238,585)	(51,443)	41,570,889

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2025

School Division	Key Data Elements		FY 2025 Appropriation (Chapter 2)	Technical Updates						FY 2025 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2025 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non- SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Update VPI Participation	
GOOCHLAND	.8000	2,538	10,629,129	87,305	(52,029)	3,489	21,644	185,373	(6,978)	10,867,932
GRAYSON	.3196	1,495	17,748,351	19,076	(6,938)	(10,957)	51,115	(92,196)	(96,307)	17,612,144
GREENE	.3411	2,676	27,845,414	38,746	17,515	15,032	54,788	(227,393)	(13,135)	27,730,967
GREENSVILLE	.3898	1,040	11,220,050	15,571	(81,357)	2,457	(81,981)	(130,556)	45,010	10,989,194
HALIFAX	.3012	4,098	48,167,272	48,692	159,325	16,881	26,454	145,753	706,315	49,270,691
HANOVER	.4894	16,323	114,513,855	295,849	189,413	(130,535)	194,195	475,627	(101,793)	115,436,611
HENRICO	.4273	49,539	425,456,318	759,268	(63,395)	(401,190)	3,070,009	3,791,494	(1,295,868)	431,316,636
HENRY	.2247	6,545	81,728,597	51,913	(44,836)	176,877	347,192	(423,725)	513,152	82,349,170
HIGHLAND	.8000	187	2,472,844	2,868	(84,520)	1,744	514	(112,239)	0	2,281,211
ISLE OF WIGHT	.3704	5,342	47,234,153	79,426	(47,551)	19,011	11,589	(194,199)	(119,241)	46,983,189
JAMES CITY	.5403	10,151	67,425,082	206,684	(84,113)	25,911	581,793	237,328	(122,108)	68,270,578
KING GEORGE	.3633	4,438	37,476,403	62,032	(39,898)	16,235	39,756	450,625	(258,943)	37,746,209
KING QUEEN	.3998	564	8,295,864	10,996	(120,510)	0	27,821	(1,840,291)	84,955	6,458,835
KING WILLIAM	.3146	2,055	20,351,139	23,350	(71,776)	(26,214)	34,279	(12,550)	13,664	20,311,892
LANCASTER	.8000	939	4,767,297	30,284	11,533	12,346	4,729	27,160	155,501	5,008,851
LEE	.1712	2,763	41,597,352	17,680	(2,639,553)	10,566	(2,918)	550,018	0	39,533,145
LOUDOUN	.5518	81,006	541,513,218	1,584,467	32,819	(175,633)	2,868,719	(2,551,521)	(3,563,433)	539,708,636
LOUISA	.5041	5,080	38,584,276	95,939	37,110	(42,925)	62,327	680,367	(184,408)	39,232,686
LUNENBURG	.2614	1,493	19,201,665	15,041	(34,783)	(29,737)	112,443	115,639	0	19,380,268
MADISON	.4746	1,523	12,718,345	32,913	(29,228)	(3,878)	14,641	(507,102)	5,237	12,230,929
MATHEWS	.5904	739	5,950,047	18,789	15,115	(13,742)	10,995	(127,243)	(72,766)	5,781,195
MECKLENBURG	.3893	3,654	34,288,199	50,898	(54,227)	70,892	69,907	104,368	(310,461)	34,219,575
MIDDLESEX	.6389	1,168	8,281,882	24,853	(41,878)	4,846	14,972	177,754	72,766	8,535,195
MONTGOMERY	.4041	9,218	80,022,195	154,271	(320,188)	0	292,250	(356,067)	47,520	79,839,981
NELSON	.6645	1,417	9,266,994	39,717	24,891	13,282	31,000	182,764	4,984	9,563,632
NEW KENT	.4391	3,458	26,955,561	52,005	(242,109)	126,082	22,016	(428,660)	5,591	26,490,485
NORTHAMPTON	.5253	1,229	12,573,333	27,449	(28,166)	0	33,880	(167,879)	(3,987)	12,434,629
NORTHUMBERLAND	.7672	1,108	5,677,095	30,965	(33,011)	26,711	13,316	97,721	0	5,812,796
NOTTOWAY	.2696	1,686	20,139,226	18,571	(32,396)	55,381	25,824	(68,285)	1	20,138,322
ORANGE	.4382	4,804	41,015,020	82,179	115,328	34,304	120,863	(150,684)	(128,801)	41,088,210
PAGE	.3356	2,776	28,583,244	37,447	184,735	(38,340)	(8,920)	(343,568)	13,245	28,427,842
PATRICK	.2475	2,172	25,767,820	18,914	91,080	(30,296)	37,916	(645,487)	30,003	25,269,951
PITTSYLVANIA	.2642	7,416	80,116,726	73,812	95,369	148,116	188,924	489,137	652,766	81,764,850
POWHATAN	.4704	3,915	30,421,083	75,358	75,973	(51,172)	20,676	(906,167)	0	29,635,751
PRINCE EDWARD	.3776	1,724	17,187,340	30,520	(14,455)	10,023	337	591,150	304,000	18,108,916
PRINCE GEORGE	.2321	5,947	62,899,226	46,958	69,225	8,759	210,518	(306,435)	(206,669)	62,721,582

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2025

School Division	Key Data Elements		FY 2025 Appropriation (Chapter 2)	Technical Updates						FY 2025 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2025 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non-SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Update VPI Participation	
PRINCE WILLIAM	.3631	87,962	839,509,075	1,131,631	(3,033,984)	460,694	6,296,950	614,212	(6,739,815)	838,238,763
PULASKI	.3303	4,171	43,217,587	47,821	(444,450)	(229,627)	41,755	(11,091)	(160,213)	42,461,782
RAPPAHANNOCK	.8000	732	3,597,291	30,283	(14,113)	0	(5,128)	2,984	(41,866)	3,569,451
RICHMOND	.3110	1,342	13,861,848	12,286	(145,327)	(6,473)	(17,782)	31,224	13,736	13,749,512
ROANOKE	.3635	13,288	116,491,781	174,657	58,209	(183,222)	305,992	(12,325)	(183,994)	116,651,098
ROCKBRIDGE	.4847	2,220	18,868,674	48,759	48,003	4,495	65,627	299,289	246,553	19,581,400
ROCKINGHAM	.4349	11,225	91,639,754	192,154	52,521	(18,201)	694,803	1,023,000	141,950	93,725,981
RUSSELL	.2265	3,059	38,113,629	26,801	(102,488)	(78,891)	(7,072)	(797,289)	393,222	37,547,912
SCOTT	.1872	3,883	55,641,590	18,367	46,530	106,351	28,606	(1,483,653)	251,162	54,608,953
SHENANDOAH	.4248	5,462	49,850,064	95,138	(35,866)	25,860	202,474	278,903	64,217	50,480,790
SMYTH	.2225	3,914	45,682,163	30,579	34,447	14,608	56,010	3,563,595	(4,650)	49,376,752
SOUTHAMPTON	.2987	2,189	26,456,135	25,640	(65,605)	30,116	8,325	(1,443,645)	62,916	25,073,883
SPOTSYLVANIA	.3702	23,396	216,862,931	324,159	(1,643,308)	(142,838)	1,300,420	1,688,217	(1,689,057)	216,700,523
STAFFORD	.3312	31,228	283,413,501	355,131	1,468,446	212,266	1,563,706	583,680	(2,456,257)	285,140,473
SURRY	.8000	651	3,664,972	20,240	320	(3,220)	2,112	(7,908)	0	3,676,516
SUSSEX	.3434	997	12,145,927	12,716	40,157	(20,707)	(2,312)	688,060	(19,635)	12,844,207
TAZEWELL	.2461	4,867	58,312,491	45,265	(143,910)	39,963	(3,063)	(1,749,122)	(375,744)	56,125,880
WARREN	.4517	4,847	41,548,668	96,051	55,284	(16,188)	132,280	(811,632)	(5,565)	40,998,898
WASHINGTON	.3459	6,992	64,507,016	82,687	179,732	(82,513)	117,090	5,425,202	1,304	70,230,517
WESTMORELAND	.5065	1,475	16,498,702	30,287	(32,494)	29,472	12,303	(164,410)	24,920	16,398,780
WISE	.2020	5,365	63,147,092	33,789	(69,563)	(58,901)	14,874	(293,097)	715,902	63,490,096
WYTHE	.3243	3,586	37,985,286	43,435	(23,447)	76,171	27,506	(207,414)	(114,502)	37,787,035
YORK	.3554	13,141	107,128,011	150,434	(548,115)	(91,263)	223,980	1,284,694	(610,411)	107,537,330
ALEXANDRIA	.8000	15,946	71,363,464	477,202	(551,437)	2,952	900,217	723,062	(369,393)	72,546,067
BRISTOL	.2977	2,028	26,411,463	23,972	(82,965)	(90,950)	44,598	237,444	119,009	26,662,571
BUENA VISTA	.1803	822	11,173,241	5,604	28,840	(6,050)	7,144	773,935	(130,732)	11,851,982
CHARLOTTESVILLE	.7702	4,150	23,015,907	140,604	(22,904)	(20,663)	127,919	192,287	418,656	23,851,806
COLONIAL HEIGHTS	.4026	2,849	25,917,148	39,835	(75,113)	44,895	114,259	192,098	(108,379)	26,124,743
DANVILLE	.2411	5,228	70,401,709	50,824	(314,662)	140,546	354,199	(275,284)	9,077	70,366,410
FALLS CHURCH	.8000	2,581	10,350,808	71,227	52,232	(13,285)	43,785	69,070	48,155	10,621,992
FREDERICKSBURG	.6163	3,425	23,291,997	77,641	68,645	49,948	215,230	594,872	(24,362)	24,273,971
GALAX	.2661	1,354	15,029,485	9,663	(5,457)	53,184	100,211	(37,971)	(43,893)	15,105,221
HAMPTON	.2579	18,692	202,112,223	168,492	(280,778)	52,783	261,090	(1,150,092)	(127,232)	201,036,486
HARRISONBURG	.3335	6,489	66,459,240	74,701	(99,655)	310,372	918,524	(131,455)	(391,977)	67,139,750
HOPEWELL	.1870	3,604	45,051,708	23,759	22,424	6,001	42,902	332,482	486,239	45,965,516
LYNCHBURG	.3872	7,194	74,494,858	128,226	(730,423)	(73,603)	285,399	259,999	(18,325)	74,346,132

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2025

School Division	Key Data Elements		FY 2025 Appropriation (Chapter 2)	Technical Updates						FY 2025 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2025 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non- SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Update VPI Participation	
MARTINSVILLE	.2229	1,666	21,928,381	15,120	(95,939)	(98,551)	113,733	27,441	275,762	22,165,947
NEWPORT NEWS	.2729	24,386	274,987,551	253,633	(1,069,576)	(483,981)	1,249,903	(776,984)	(684,186)	273,476,359
NORFOLK	.3212	24,940	265,143,891	314,714	340,822	(292,870)	1,297,274	1,537,813	783,535	269,125,179
NORTON	.2412	796	8,744,771	5,259	89,031	(2,546)	4,588	555,840	0	9,396,944
PETERSBURG	.2075	4,130	52,678,281	30,104	(605,453)	154,213	288,727	334,689	564,034	53,444,596
PORTSMOUTH	.2369	12,226	148,375,403	115,126	1,058,199	74,245	475,632	(1,899,226)	(375,765)	147,823,613
RADFORD	.1658	3,235	33,736,018	8,754	526,354	6,157	87,399	1,854,172	58,207	36,277,061
RICHMOND CITY	.5740	20,021	173,337,548	461,005	(68,227)	323,577	1,314,043	2,994,172	(1,090,499)	177,271,619
ROANOKE CITY	.3388	12,984	148,399,880	163,713	(72,648)	(325,207)	1,478,127	1,538,938	(65,910)	151,116,893
STAUNTON	.3767	2,493	26,796,367	43,029	217,403	(51,025)	(3,127)	(134,752)	161,539	27,029,434
SUFFOLK	.3493	13,923	127,530,831	190,616	(216,417)	(176,831)	158,287	194,987	505,922	128,187,395
VIRGINIA BEACH	.4138	62,736	494,582,963	965,355	(45,881)	(231,678)	1,277,069	495,134	(4,370,744)	492,672,218
WAYNESBORO	.3633	2,793	28,103,065	39,967	126,488	(29,906)	220,746	(227,927)	473,458	28,705,891
WILLIAMSBURG	.7426	1,143	7,798,284	29,725	58,151	(111,402)	(269,808)	123,179	(37,380)	7,590,749
WINCHESTER	.4151	4,136	37,804,985	58,088	96,934	8,242	515,134	1,289,733	(606,795)	39,166,322
FAIRFAX CITY	.8000	3,052	11,926,721	86,886	(41,146)	(537)	279,274	341,964	(111,983)	12,481,178
FRANKLIN CITY	.2884	1,067	12,426,964	12,538	119,201	57,298	11,344	1,590,033	56,746	14,274,123
CHESAPEAKE CITY	.3273	39,871	367,754,816	476,910	3,613,527	(207,184)	967,974	3,378,650	(2,749,244)	373,235,449
LEXINGTON	.3987	669	5,169,142	8,013	(1,928)	0	(6,156)	94,682	(77,919)	5,185,834
EMPORIA	.2340	882	10,663,642	7,595	35,867	0	140,022	703,172	(152,710)	11,397,588
SALEM	.3632	3,826	36,771,766	41,816	(1,752)	73,067	88,689	(2,615,700)	(151,073)	34,206,814
POQUOSON	.3466	1,992	17,155,264	25,725	43,813	6,138	8,522	(119,370)	(136,775)	16,983,317
MANASSAS CITY	.3371	7,291	79,008,465	84,908	(71,751)	52,042	1,140,742	782,477	(782,433)	80,214,450
MANASSAS PARK	.2716	3,192	40,229,523	28,400	44,185	52,785	651,125	317,373	15,590	41,338,980
COLONIAL BEACH	.3675	562	6,501,929	6,454	4,782	10,610	615	(38,454)	(50,439)	6,435,497
WEST POINT	.2489	794	8,120,908	5,605	(4,799)	(1,008)	29,195	(204,173)	52,409	7,998,137
<b>TOTAL:</b>		<b>1,214,292</b>	<b>\$10,345,115,170</b>	<b>\$20,000,089</b>	<b>(\$13,205,354)</b>	<b>\$1,085,343</b>	<b>\$48,806,809</b>	<b>\$13,303,252</b>	<b>(\$31,993,628)</b>	<b>10,383,111,681</b>

# **SB 800**

# **APPENDIX B**

Direct Aid to Public Education  
2025-26 Summary



## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2026

School Division	Key Data Elements		FY 2026 Appropriation (Chapter 2)	Technical Updates					Proposed Policy Change	FY 2026 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non-SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Remove VPI LCI Cap	
ACCOMACK	.3487	4,440	\$51,252,419	\$97,734	(\$119,441)	(\$103,574)	\$438,445	(\$1,303,797)	\$0	\$50,261,787
ALBEMARLE	.6904	13,901	71,356,167	(160,910)	168,293	(98,470)	526,923	2,349,587	(419,437)	73,722,153
ALLEGHANY HIGHLANDS	.2737	2,568	32,408,108	63,303	184,108	37,038	25,620	266,944	0	32,985,121
AMELIA	.3758	1,515	14,452,712	46,138	(58,631)	53,192	40,158	750,698	0	15,284,268
AMHERST	.3015	3,615	41,445,026	30,294	(49,725)	92,801	110,292	(688,132)	0	40,940,556
APPOMATTOX	.2822	2,347	24,228,439	25,495	(13,833)	(18,302)	8,776	818,889	0	25,049,463
ARLINGTON	.8000	27,532	114,678,228	1,980,268	(163,097)	32,342	1,137,265	1,898,087	(1,492,790)	118,070,302
AUGUSTA	.3888	9,611	90,770,058	(93,238)	(131,778)	(22,146)	242,037	(544,532)	0	90,220,401
BATH	.8000	472	2,614,777	18,990	(4,076)	0	(1,248)	41,975	(20,933)	2,649,484
BEDFORD	.3132	8,414	83,244,574	230,867	255,786	117,054	125,111	(1,754,120)	0	82,219,271
BLAND	.3046	832	7,968,625	1,562	10,424	0	4,084	955,490	0	8,940,185
BOTETOURT	.4068	4,184	37,691,778	(63,381)	123,894	(18,309)	97,910	(822,880)	0	37,009,012
BRUNSWICK	.4379	1,274	17,492,737	(16,691)	(26,280)	(19,613)	(25,957)	(144,462)	0	17,259,734
BUCHANAN	.2557	2,132	26,607,503	(27,307)	(46,447)	(39,455)	32,697	74,708	0	26,601,700
BUCKINGHAM	.3379	1,679	19,478,438	(28,168)	14,792	(40,872)	26,155	(258,606)	0	19,191,738
CAMPBELL	.2877	7,375	76,793,664	(31,495)	(128,921)	79,818	156,996	(1,007,102)	0	75,862,960
CAROLINE	.3501	4,293	43,480,603	197,747	139,153	(71,082)	215,165	(1,284,672)	0	42,676,915
CARROLL	.2804	3,235	36,382,777	(12,318)	(72,396)	100,915	154,279	781,674	0	37,334,931
CHARLES CITY	.6669	462	4,053,537	8,637	9,334	13,410	1,191	39,938	(31,610)	4,094,437
CHARLOTTE	.2470	1,612	19,129,779	42,759	(22,493)	13,642	21,545	352,104	0	19,537,335
CHESTERFIELD	.3563	62,359	555,291,205	579,318	363,053	2,014,487	5,272,771	(4,330,817)	0	559,190,018
CLARKE	.6032	1,791	12,076,021	65,006	(20,357)	0	51,144	(491,894)	(32,476)	11,647,444
CRAIG	.3629	453	5,186,559	(7,306)	(15,840)	0	0	275,940	0	5,439,353
CULPEPER	.3617	8,232	78,118,305	340,808	(328,029)	0	1,184,939	687,392	0	80,003,415
CUMBERLAND	.3323	1,176	14,272,957	(737)	(16,426)	11,648	41,082	1,225,734	0	15,534,257
DICKENSON	.2157	1,631	21,913,085	(2,629)	78,661	17,893	6,265	(931,193)	0	21,082,083
DINWIDDIE	.2978	3,981	44,979,830	(28,784)	(14,185)	21,674	92,574	(405,874)	0	44,645,235
ESSEX	.4189	987	10,650,970	(17,159)	(38,380)	26,515	998	(430,432)	0	10,192,512
FAIRFAX	.6579	171,495	1,049,839,783	818,455	(2,857,569)	36,499	6,072,134	(4,773,381)	(5,136,651)	1,043,999,270
FAUQUIER	.6006	10,710	70,598,508	367,911	(436,172)	(536)	474,092	944,937	(134,797)	71,813,943
FLOYD	.4056	1,571	14,781,388	23,480	(160,084)	50,653	12,587	170,379	0	14,878,404
FLUVANNA	.3934	3,174	30,267,635	104,924	(185,395)	0	21,867	(163,797)	0	30,045,234
FRANKLIN	.4596	5,704	49,111,403	100,152	(230,280)	(88,477)	79,477	(195,048)	0	48,777,227
FREDERICK	.4151	14,361	124,298,712	352,245	184,451	18,446	1,185,724	424,746	0	126,464,324
GILES	.2117	3,516	36,345,430	24,080	(17,391)	(33,852)	63,808	379,838	0	36,761,912
GLOUCESTER	.3999	4,698	42,297,540	103,295	45,427	14,899	58,782	(395,974)	0	42,123,969

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2026

School Division	Key Data Elements		FY 2026 Appropriation (Chapter 2)	Technical Updates					Proposed Policy Change	FY 2026 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non-SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Remove VPI LCI Cap	
GOOCHLAND	.8000	2,577	10,863,325	54,726	(54,770)	5,233	29,582	309,806	(143,539)	11,064,362
GRAYSON	.3196	1,465	18,104,039	56,102	(25,093)	(456)	88,586	(434,213)	0	17,788,964
GREENE	.3411	2,634	28,231,101	97,399	8,847	(3,537)	44,067	(456,100)	0	27,921,777
GREENSVILLE	.3898	1,017	11,185,513	43,502	(87,417)	20,473	(74,904)	(136,138)	0	10,951,029
HALIFAX	.3012	4,042	48,454,968	76,182	137,771	32,354	8,997	143,253	0	48,853,525
HANOVER	.4894	16,240	116,195,579	231,572	159,919	(122,655)	245,823	611,301	0	117,321,538
HENRICO	.4273	49,891	434,015,269	288,574	(105,541)	(562,589)	4,594,912	6,318,391	0	444,549,016
HENRY	.2247	6,499	82,658,553	87,556	44,311	219,535	492,668	(591,663)	0	82,910,960
HIGHLAND	.8000	179	2,463,815	5,071	(7,020)	1,476	719	(171,364)	0	2,292,698
ISLE OF WIGHT	.3704	5,223	47,753,554	47,976	(76,355)	27,038	21,809	(759,211)	0	47,014,812
JAMES CITY	.5403	10,177	68,785,556	299,252	(99,498)	27,761	704,298	485,556	(55,034)	70,147,891
KING GEORGE	.3633	4,475	38,348,877	(27,361)	(49,523)	13,671	48,335	607,183	0	38,941,183
KING QUEEN	.3998	506	8,353,521	(6,558)	(132,606)	0	44,011	(2,300,696)	0	5,957,673
KING WILLIAM	.3146	2,066	20,919,418	10,857	(75,396)	(36,792)	42,254	(40,469)	0	20,819,871
LANCASTER	.8000	936	4,843,175	119,619	10,622	14,359	5,737	45,996	(113,635)	4,925,873
LEE	.1712	2,771	41,966,148	(12,710)	(90,450)	10,566	(3,038)	1,043,741	0	42,914,258
LOUDOUN	.5518	80,783	553,586,416	(444,174)	95,482	(206,008)	3,276,376	(3,746,946)	(541,563)	552,019,583
LOUISA	.5041	5,125	39,465,322	58,269	24,968	(21,962)	83,906	863,375	(5,599)	40,468,279
LUNENBURG	.2614	1,487	19,464,184	22,560	(33,312)	(39,649)	144,024	130,926	0	19,688,733
MADISON	.4746	1,495	12,931,458	(35,664)	(36,535)	(1,763)	16,606	(674,451)	0	12,199,651
MATHEWS	.5904	700	5,892,238	25,958	12,271	(19,514)	11,997	(167,194)	(27,033)	5,728,723
MECKLENBURG	.3893	3,653	34,619,786	50,676	(50,244)	92,610	97,735	318,837	0	35,129,400
MIDDLESEX	.6389	1,191	8,374,470	101,053	(1,573)	4,846	17,568	352,787	(44,306)	8,804,844
MONTGOMERY	.4041	9,115	81,230,585	89,159	(352,404)	0	330,371	(745,819)	0	80,551,891
NELSON	.6645	1,409	9,290,711	65,502	26,979	20,486	31,105	313,420	(49,192)	9,699,011
NEW KENT	.4391	3,476	27,992,402	4,389	(248,578)	126,082	22,021	(834,109)	0	27,062,206
NORTHAMPTON	.5253	1,175	12,676,949	87,358	(44,276)	0	36,117	(494,868)	(13,114)	12,248,165
NORTHUMBERLAND	.7672	1,102	5,746,631	(26,388)	(32,719)	27,649	17,898	130,649	(109,201)	5,754,518
NOTTOWAY	.2696	1,662	20,249,741	52,318	(32,394)	63,223	33,858	(112,100)	0	20,254,647
ORANGE	.4382	4,815	42,012,954	126,073	99,246	56,922	135,285	(284,861)	0	42,145,618
PAGE	.3356	2,706	28,627,344	9,045	174,905	(60,184)	(43,596)	(479,043)	0	28,228,470
PATRICK	.2475	2,097	25,791,816	133	65,366	(20,702)	46,113	(1,046,966)	0	24,835,761
PITTSYLVANIA	.2642	7,372	80,587,236	(116,935)	86,011	198,970	210,678	912,974	0	81,878,934
POWHATAN	.4704	3,842	30,824,413	(117,184)	69,269	(38,024)	2,218	(1,174,360)	0	29,566,332
PRINCE EDWARD	.3776	1,717	17,073,149	38,057	(4,667)	17,958	7,452	939,961	0	18,071,911
PRINCE GEORGE	.2321	5,949	64,141,628	37,971	153,479	12,366	304,601	(398,187)	0	64,251,858

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2026

School Division	Key Data Elements		FY 2026 Appropriation (Chapter 2)	Technical Updates					Proposed Policy Change	FY 2026 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non-SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Remove VPI LCI Cap	
PRINCE WILLIAM	.3631	87,782	855,654,596	765,676	(1,258,795)	818,394	6,593,651	(500,912)	0	862,072,611
PULASKI	.3303	4,176	44,040,496	3,054	(467,176)	(307,368)	48,763	29,217	0	43,346,985
RAPPAHANNOCK	.8000	736	3,692,443	15,621	(14,114)	(939)	(4,105)	6,721	(65,789)	3,629,838
RICHMOND	.3110	1,362	14,299,874	7,033	(148,542)	(24,041)	(26,869)	37,516	0	14,144,972
ROANOKE	.3635	13,145	118,597,179	59,667	15,104	(258,817)	439,597	(863,911)	0	117,988,819
ROCKBRIDGE	.4847	2,232	19,051,434	(30,299)	55,727	5,186	150,781	568,848	0	19,801,677
ROCKINGHAM	.4349	11,329	93,967,340	405,848	41,942	(52,706)	986,208	1,465,643	0	96,814,275
RUSSELL	.2265	2,987	38,475,857	(14,044)	(118,871)	(70,068)	(6,504)	(1,305,554)	0	36,960,815
SCOTT	.1872	3,774	56,441,863	26,097	(30,659)	121,076	16,652	(2,902,792)	0	53,672,238
SHENANDOAH	.4248	5,484	50,610,290	81,016	(32,469)	37,438	213,436	626,055	0	51,535,766
SMYTH	.2225	3,992	45,437,395	20,014	73,073	29,737	67,049	5,459,934	0	51,087,202
SOUTHAMPTON	.2987	2,115	26,516,520	(26,846)	(79,073)	44,704	9,343	(1,845,758)	0	24,618,891
SPOTSYLVANIA	.3702	23,459	219,783,148	420,194	(1,803,616)	(232,428)	1,679,046	3,844,077	0	223,690,421
STAFFORD	.3312	31,300	290,666,788	276,180	1,363,339	322,213	2,047,635	(313,981)	0	294,362,174
SURRY	.8000	644	3,753,553	29,463	(3,133)	(2,281)	2,171	(32,594)	(56,818)	3,690,361
SUSSEX	.3434	1,031	12,295,181	35,661	47,827	(33,484)	(16,867)	1,155,296	0	13,483,614
TAZEWELL	.2461	4,725	58,735,560	109,504	(202,782)	58,175	(2,437)	(2,693,319)	0	56,004,701
WARREN	.4517	4,778	42,408,408	31,685	53,958	(36,423)	176,108	(1,308,301)	0	41,325,434
WASHINGTON	.3459	7,192	65,388,586	(23,944)	124,272	(118,064)	174,302	7,720,742	0	73,265,894
WESTMORELAND	.5065	1,480	16,881,490	70,100	(36,192)	44,704	22,957	(213,423)	(3,888)	16,765,748
WISE	.2020	5,323	63,982,611	18,134	(107,345)	(100,666)	16,746	(472,271)	0	63,337,208
WYTHE	.3243	3,473	38,218,966	19,826	(61,441)	76,624	31,012	(855,832)	0	37,429,155
YORK	.3554	13,367	109,818,229	(58,927)	(556,682)	(127,596)	243,405	2,539,504	0	111,857,933
ALEXANDRIA	.8000	16,215	73,334,841	106,756	153,129	16,238	1,039,893	1,178,139	(1,842,712)	73,986,284
BRISTOL	.2977	2,012	26,549,782	7,754	(85,519)	(97,076)	71,102	398,957	0	26,845,001
BUENA VISTA	.1803	823	11,068,527	16,373	29,389	2,750	7,325	1,111,325	0	12,235,688
CHARLOTTESVILLE	.7702	4,177	23,441,661	43,115	(18,927)	(30,377)	133,878	394,689	(374,376)	23,589,663
COLONIAL HEIGHTS	.4026	2,902	26,685,888	104,499	(66,790)	61,331	180,510	336,705	0	27,302,143
DANVILLE	.2411	5,164	71,026,929	166,028	(377,927)	36,664	460,735	(443,469)	0	70,868,960
FALLS CHURCH	.8000	2,632	10,711,116	295,028	50,611	(21,606)	63,912	117,597	(41,734)	11,174,923
FREDERICKSBURG	.6163	3,468	23,657,212	94,998	63,007	67,713	297,544	1,010,243	(68,473)	25,122,244
GALAX	.2661	1,355	15,496,804	40,445	(14,697)	53,677	116,708	(215,173)	0	15,477,764
HAMPTON	.2579	18,353	205,642,979	495,250	(416,975)	156,854	337,169	(4,621,700)	0	201,593,576
HARRISONBURG	.3335	6,567	68,579,571	(60,992)	(130,482)	363,591	1,016,551	(309,456)	0	69,458,784
HOPEWELL	.1870	3,590	45,363,919	75,584	34,124	7,092	88,153	579,110	0	46,147,981
LYNCHBURG	.3872	7,121	75,016,268	329,838	26,711	(68,669)	446,777	382,051	0	76,132,976

## Summary of Estimated Direct Aid Distributions - SB 800, As Introduced - FY 2026

School Division	Key Data Elements		FY 2026 Appropriation (Chapter 2)	Technical Updates					Proposed Policy Change	FY 2026 Estimated Distribution (SB 800)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Sales Tax & School Age Population Estimates	Update Non-SOQ Programs	Update Remedial Summer School Participation	Update English Learner Enrollment	Update Average Daily Enrollment Projection	Remove VPI LCI Cap	
MARTINSVILLE	.2229	1,655	22,148,722	58,215	(89,157)	(140,266)	141,859	38,988	0	22,158,361
NEWPORT NEWS	.2729	24,113	277,394,451	437,850	(1,159,496)	(547,894)	1,628,956	(1,031,471)	0	276,722,396
NORFOLK	.3212	24,733	267,378,828	1,181,051	192,834	(526,529)	1,888,280	2,411,263	0	272,525,727
NORTON	.2412	807	8,742,241	383	90,393	(7,638)	8,027	853,144	0	9,686,550
PETERSBURG	.2075	4,237	54,644,372	169,815	(81,661)	205,263	527,238	445,146	0	55,910,172
PORTSMOUTH	.2369	12,064	149,498,066	115,788	1,007,105	165,900	786,066	(2,653,478)	0	148,919,448
RADFORD	.1658	3,089	34,675,410	(12,367)	517,268	(4,478)	212,180	325,800	0	35,713,813
RICHMOND CITY	.5740	20,149	174,613,239	1,161,014	3,157	424,481	1,683,789	5,608,816	(627,725)	182,866,771
ROANOKE CITY	.3388	13,080	151,324,917	528,412	400,032	(560,349)	2,160,760	2,394,053	0	156,247,826
STAUNTON	.3767	2,478	27,331,844	32,811	226,608	(73,191)	(6,135)	(284,591)	0	27,227,346
SUFFOLK	.3493	13,999	130,037,950	323,548	(248,759)	(297,338)	235,631	788,973	0	130,840,004
VIRGINIA BEACH	.4138	62,504	502,287,485	723,420	(110,782)	(307,199)	1,628,060	834,011	0	505,054,995
WAYNESBORO	.3633	2,792	28,602,183	154,812	110,879	(24,779)	364,899	(211,518)	0	28,996,476
WILLIAMSBURG	.7426	1,219	8,106,978	121,067	71,879	(134,718)	(216,239)	255,794	(72,547)	8,132,214
WINCHESTER	.4151	4,182	38,534,526	186,968	90,230	10,205	696,830	1,646,197	0	41,164,956
FAIRFAX CITY	.8000	3,159	12,295,012	299,837	(41,793)	(4,026)	297,610	570,642	(166,936)	13,250,346
FRANKLIN CITY	.2884	1,114	12,578,377	40,133	134,145	57,298	12,926	2,188,897	0	15,011,775
CHESAPEAKE CITY	.3273	40,014	373,271,386	514,140	3,533,109	(97,499)	1,091,310	6,089,604	0	384,402,051
LEXINGTON	.3987	687	5,316,218	12,310	(1,944)	0	(3,311)	184,041	0	5,507,314
EMPORIA	.2340	894	10,823,284	23,941	46,907	0	163,492	918,504	0	11,976,128
SALEM	.3632	3,718	37,448,437	36,595	(21,884)	81,613	135,476	(3,514,680)	0	34,165,556
POQUOSON	.3466	1,983	17,387,725	391	40,476	12,714	9,337	(100,648)	0	17,349,995
MANASSAS CITY	.3371	7,302	79,797,083	188,730	(9,880)	53,821	1,400,916	1,585,019	0	83,015,689
MANASSAS PARK	.2716	3,168	40,471,770	(26,473)	51,024	52,296	843,109	560,139	0	41,951,865
COLONIAL BEACH	.3675	556	6,602,429	18,061	7,595	12,307	2,361	(67,197)	0	6,575,556
WEST POINT	.2489	784	8,311,734	18,131	(6,808)	3,024	31,327	(345,261)	0	8,012,147
<b>TOTAL:</b>		<b>1,213,646</b>	<b>\$10,524,199,094</b>	<b>\$16,797,249</b>	<b>(\$3,199,293)</b>	<b>\$1,152,551</b>	<b>\$61,878,968</b>	<b>\$20,545,855</b>	<b>(\$11,691,908)</b>	<b>\$10,609,682,516</b>

# **SB 800**

# **APPENDIX C**

Capital Outlay Actions

**DETAIL OF SB 800, 2025 SESSION - CAPITAL OUTLAY  
2024-2026 Biennium**

Title	General Fund Supported			Nongeneral Fund Supported			Total
	GF Cash	VCBA Bonds	VPBA Bonds	NGF Cash	\$ 9(c) Bonds	\$ 9(d) Bonds	
<b>General Conditions</b>							
Adjust submission requirements for the Six-Year Capital Outlay budget recommendations							Language
Adjust language authorizing transfer of bonds between capital pools							Language
<b>Administration</b>							
<b>Department of General Services</b>							
Commonwealth Courts Building Planning and Demolition	14,500,000						14,500,000
Relocate Monroe Tenants and Plan for New Office Building	35,000,000						35,000,000
Relocate Office of Fleet Management Services							Language
<b>Total: Office of Administration</b>	<b>\$49,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$49,500,000</b>
<b>Education</b>							
<b>William &amp; Mary</b>							
Construct West Woods Phase 2					120,000,000		120,000,000
<b>George Mason University</b>							
Address Priority Facility Improvements	8,000,000						8,000,000
<b>James Madison</b>							
Construct Student Housing					86,085,243		86,085,243
<b>University of Mary Washington</b>							
Improve Energy Infrastructure	4,350,000			650,000			5,000,000
<b>Longwood University</b>							
Replace and Augment IT Network and Security Equipment	2,160,863			551,454			2,712,317
<b>Radford University</b>							
Renovate Dalton Hall				52,320,333			52,320,333
<b>Norfolk State University</b>							
Improve Campus Security	2,633,223						2,633,223
<b>Virginia State University</b>							
Improve Life Safety Systems Campuswide	6,596,950						6,596,950
<b>Science Museum of Virginia</b>							
Community Green Space				6,300,000			6,300,000
<b>Total: Office of Education</b>	<b>\$23,741,036</b>	<b>\$0</b>	<b>\$0</b>	<b>\$59,821,787</b>	<b>\$206,085,243</b>	<b>\$0</b>	<b>\$289,648,066</b>
<b>Health &amp; Human Resources</b>							
<b>Department of Behavioral Health and Developmental Services</b>							
Renovate, repair, and upgrade state-operated facilities	52,093,205						52,093,205
<b>Total: Office of Human Resources</b>	<b>\$52,093,205</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$52,093,205</b>
<b>Natural and Historic Resources</b>							
<b>Department of Conservation &amp; Recreation</b>							
Acquisition of land for state parks				10,399,475			10,399,475
<b>Total: Office of Natural Resources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,399,475</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,399,475</b>

**DETAIL OF SB 800, 2025 SESSION - CAPITAL OUTLAY  
2024-2026 Biennium**

Title	General Fund Supported			Nongeneral Fund Supported			Total
	GF Cash	VCBA Bonds	VPBA Bonds	NGF Cash	\$ 9(c) Bonds	\$ 9(d) Bonds	
<b>Veterans and Defense Affairs</b>							
<b>Department of Veterans Services</b>							
Improve Suffolk Veterans Cemetery				330,000			330,000
Improve Dublin Veterans Cemetery				330,000			330,000
Improve Amelia Veterans Cemetery				5,500,000			5,500,000
<b>Department of Military Affairs</b>							
Construct the Army Aviation Support Facility Connector Road	2,500,000						2,500,000
<b>Total: Veterans and Defense Affairs</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,160,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,660,000</b>
<b>Transportation</b>							
<b>Department of Motor Vehicles</b>							
Maintenance Reserve				15,500,000			15,500,000
Renovate DMV Headquarters				16,000,000			16,000,000
<b>Total: Office of Transportation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,500,000</b>
<b>Central Appropriations</b>							
<b>Central Capital Outlay</b>							
WQIF Wastewater Treatment Upgrades	400,000,000		(400,000,000)				0
Capital Equipment Funding	14,511,505						14,511,505
Detail Planning Pool	31,948,103			9,130,897			41,079,000
2025 Public Educational Institution Capital Pool	448,214,251			48,800,000		31,531,520	528,545,771
2025 State Agency Capital Pool	130,451,057						130,451,057
2024 State Agency Capital Pool - Temporary heat and hot water solutions at Hiram Davis Medical Center							Language
2022 State Agency Capital Pool - State Police Training Academy	136,311,497						136,311,497
2022 Capital Supplement Pool	62,362,850						62,362,850
2020 VCBA Pool - Adjust scope of NVCC Godwin Building project	15,545,100						15,545,100
2020 VPBA Pool - Clarify scope of Nottoway water infrastructure project and authorize use of statewide supplement pool							Language
Authorize lease or finance purchase arrangements							Language
Redirect balances from completed or cancelled standalone projects							Language
<b>Total: Central Appropriations</b>	<b>\$1,239,344,363</b>	<b>\$0</b>	<b>(\$400,000,000)</b>	<b>\$57,930,897</b>	<b>\$0</b>	<b>\$31,531,520</b>	<b>\$928,806,780</b>
<b>Total: Capital Outlay SB 800, 2025 Session</b>	<b>\$1,367,178,604</b>	<b>\$0</b>	<b>(\$400,000,000)</b>	<b>\$165,812,159</b>	<b>\$206,085,243</b>	<b>\$31,531,520</b>	<b>\$1,370,607,526</b>

# **SB 800**

# **APPENDIX D**

Summary of Detailed Actions  
in Budget



# Appendix D: Summary of Detailed Budget Actions in SB 800

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Administration</b>				
<b>Compensation Board</b>				
Fund website modernization project	\$126,986	\$26,621	\$0	\$0
Increase sheriffs' dispatcher salaries	\$0	\$1,355,002	\$0	\$0
Adjust salaries of elected constitutional officers based on increases in locality population	\$0	\$130,716	\$0	\$0
<b>Compensation Board - Total Proposed Amendments</b>	<b>\$126,986</b>	<b>\$1,512,339</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Elections</b>				
Provide funding to plan upgrades for current elections software	\$750,000	\$0	\$0	\$0
Continue migration of information and systems to the Cloud	\$500,000	\$0	\$0	\$0
<b>Department of Elections - Total Proposed Amendments</b>	<b>\$1,250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of General Services</b>				
Provide appropriation for storage of Physical Evidence Recovery Kits (PERK) and trace evidence collection kits	\$0	\$288,400	\$0	\$0
Adjust appropriation and rates of the Office of Facilities Management internal service fund	\$0	\$0	\$0	\$6,086,731
Increase hourly rate charged by the Division of Engineering and Buildings	\$0	\$0	\$0	\$0
<b>Department of General Services - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$288,400</b>	<b>\$0</b>	<b>\$6,086,731</b>
<b>Department of Human Resource Management</b>				
Provide funding for the Commonwealth Leadership Academy	\$100,000	\$100,000	\$0	\$0
Fund information security analyst position	\$0	\$73,708	\$0	\$73,708
Fund human resource service center	\$0	\$0	\$0	\$150,000
<b>Department of Human Resource Management - Total Proposed Amendments</b>	<b>\$100,000</b>	<b>\$173,708</b>	<b>\$0</b>	<b>\$223,708</b>
<b>Secretary of Administration</b>				
Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency	\$0	\$0	\$0	(\$5,289,468)
<b>Secretary of Administration - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$5,289,468)</b>
<b>Virginia Information Technologies Agency</b>				
Establish the Project Management Center of Excellence	\$2,000,000	\$2,000,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Increase cost share for federal cybersecurity grant	\$1,892,356	\$0	\$0	\$0
Provide appropriation to develop and operate a single sign-in and verification system	\$0	\$0	\$0	\$3,888,739
Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency	\$0	\$0	\$0	\$5,289,468
Adjust appropriation for internal service fund updates	\$0	\$0	\$0	\$23,186,835
Transfer appropriation from budgetary only fund	\$0	\$0	\$0	\$0
Increase positions for transition to new managed security services	\$0	\$0	\$0	\$0
Provide appropriation to enhance current platforms' cybersecurity and accessibility	\$0	\$0	\$0	\$4,935,169
Provide additional appropriation for optional enterprise services	\$0	\$0	\$500,000	\$7,723,158
Joint Subcommittee on Cyber Risk	\$0	\$0	\$0	\$0
Increase positions to support supply chain management operations	\$0	\$0	\$0	\$960,000
Increase positions to support cybersecurity, auditing and cloud oversight services.	\$0	\$0	\$0	\$2,341,000
Provide appropriation to facilitate the transition for the new administration	\$0	\$0	\$365,225	\$1,549,648
<b>Virginia Information Technologies Agency - Total Proposed Amendments</b>	<b>\$3,892,356</b>	<b>\$2,000,000</b>	<b>\$865,225</b>	<b>\$49,874,017</b>

<b>Administration - Total Proposed Amendments</b>	<b>\$5,369,342</b>	<b>\$3,974,447</b>	<b>\$865,225</b>	<b>\$50,894,988</b>
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## Agriculture and Forestry

### Department of Agriculture and Consumer Services

Support required inspection and testing of commercially used chargers for electric vehicles	\$632,211	\$0	\$0	\$0
Replace outdated liquid propane gas testing equipment	\$149,500	\$0	\$0	\$0
Increase deposit to the Virginia Spirits Promotion Fund	\$89,294	\$89,294	\$0	\$0
Modernize regulatory program platform	\$0	\$2,939,430	\$0	\$0
Establish Pasture, Rangeland, and Forage Insurance Premium Assistance Program	\$0	\$250,000	\$0	\$0
Clarify funding for the Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program	\$0	\$0	\$0	\$0
Increase nongeneral fund appropriation for pesticide services	\$0	\$0	\$0	\$500,000
Increase nongeneral fund appropriation for the Virginia Horse Industry Board	\$0	\$0	\$0	\$1,180,000
Adjust spending authority for the Virginia Corn Board	\$0	\$0	\$0	\$0
Adjust spending authority for the Virginia Soybean Board	\$0	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Decrease deposit to the Virginia Wine Promotion Fund	(\$38,924)	(\$38,924)	\$0	\$0
<b>Department of Agriculture and Consumer Services - Total Proposed Amendments</b>	<b>\$832,081</b>	<b>\$3,239,800</b>	<b>\$0</b>	<b>\$1,680,000</b>
<b>Department of Forestry</b>				
Upgrade Integrated Forest Resource Information System modules	\$270,000	\$232,000	\$0	\$0
<b>Department of Forestry - Total Proposed Amendments</b>	<b>\$270,000</b>	<b>\$232,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Agriculture and Forestry - Total Proposed Amendments</b>	<b>\$1,102,081</b>	<b>\$3,471,800</b>	<b>\$0</b>	<b>\$1,680,000</b>

### Central Appropriations

#### Central Appropriations

Adjust appropriation for higher education credit card rebates and interest earnings	\$10,043,025	\$0	\$9,374,035	\$0
Adjust funding for agency health insurance premium costs	\$0	\$40,528,411	\$0	\$0
Adjust agency premiums for property insurance	\$0	\$10,105,034	\$0	\$0
Adjust funding for changes in agency rent costs	\$0	\$7,452,450	\$0	\$0
Fund inauguration and transition for statewide elected offices	\$0	\$1,965,382	\$0	\$0
Revert surplus general fund balance	\$0	\$0	\$0	\$0
Adjust funding for state workers' compensation premiums	\$0	(\$1,021,265)	\$0	\$0
Adjust funding provided for minimum wage increase	(\$112,801)	(\$267,145)	\$0	\$0
Adjust funding for Line of Duty Act Premiums	(\$417,665)	\$0	\$0	\$0
Adjust funding for changes in agency information technology costs	(\$1,906,470)	\$6,132,954	\$0	\$0
<b>Central Appropriations - Total Proposed Amendments</b>	<b>\$7,606,089</b>	<b>\$64,895,821</b>	<b>\$9,374,035</b>	<b>\$0</b>

<b>Central Appropriations - Total Proposed Amendments</b>	<b>\$7,606,089</b>	<b>\$64,895,821</b>	<b>\$9,374,035</b>	<b>\$0</b>
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### Commerce and Trade

#### Department of Energy

Purchase new truck-mounted geoprobe equipment	\$225,000	\$0	\$0	\$0
Capture balance of refunded Dominion Energy rebate	\$0	\$0	\$0	\$0
<b>Department of Energy - Total Proposed Amendments</b>	<b>\$225,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

#### Department of Housing and Community Development

Establish and capitalize the Disaster Assistance Fund	\$25,000,000	\$0	\$0	\$0
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	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Establish an early learning capital supply-building program	\$14,000,000	\$0	\$0	\$0
Shift second year Virginia Telecommunication Initiative funding to the first year	\$10,000,000	(\$10,000,000)	\$0	\$0
Transfer White Mill funding for the City of Danville to the first year	\$2,000,000	(\$2,000,000)	\$0	\$0
Fund natural gas study in Patrick County	\$100,000	\$0	\$0	\$0
Remove language establishing two new programs utilizing Low-Income Energy Efficiency Program Fund balances	\$0	\$0	\$0	\$0
<b>Department of Housing and Community Development - Total Proposed Amendments</b>	<b>\$51,100,000</b>	<b>(\$12,000,000)</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Small Business and Supplier Diversity</b>				
Increase Small, Women-owned, and Minority-owned business certification capacity	\$0	\$86,078	\$0	\$0
Transfer nongeneral fund appropriation between service areas	\$0	\$0	\$0	\$0
Transfer general fund appropriation between service areas for accurate accounting	\$0	\$0	\$0	\$0
<b>Department of Small Business and Supplier Diversity - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$86,078</b>	<b>\$0</b>	<b>\$0</b>
<b>Economic Development Incentive Payments</b>				
Reauthorize funding associated with an economic development project in Wythe County	\$3,895,682	\$0	\$0	\$0
Shift funding for the inland port to the first year	\$2,500,000	(\$2,500,000)	\$0	\$0
Update the Virginia Economic Development Incentive Grant Program appropriation schedule	\$30,000	(\$300,000)	\$0	\$0
Expand the Virginia Business Ready Sites Program	\$0	\$50,000,000	\$0	\$0
Authorize appropriation for a new economic development initiative	\$0	\$1,400,000	\$0	\$0
Clarify the use of proceeds from the sale of the Central Virginia Training Center	\$0	\$0	\$0	\$0
Reduce the Virginia Investment Performance Grant appropriation and provide payment flexibility	(\$390,000)	(\$403,600)	\$0	\$0
<b>Economic Development Incentive Payments - Total Proposed Amendments</b>	<b>\$6,035,682</b>	<b>\$48,196,400</b>	<b>\$0</b>	<b>\$0</b>
<b>Fort Monroe Authority</b>				
Allow a portion of capital authorizations to be used for project administration	\$0	\$0	\$0	\$0
<b>Fort Monroe Authority - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Secretary of Commerce and Trade</b>				
Capture savings from economic development funds	\$0	\$0	\$0	\$0
<b>Secretary of Commerce and Trade - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Innovation Partnership Authority</b>				
Support life sciences in the Commonwealth	\$104,050,754	(\$69,050,754)	\$0	\$0
<b>Virginia Innovation Partnership Authority - Total Proposed Amendments</b>	<b>\$104,050,754</b>	<b>(\$69,050,754)</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Tourism Authority</b>				
Support sports tourism grant program	\$5,000,000	\$0	\$0	\$0
Provide one-time funding to the Southwest Virginia Regional Recreation Authority	\$395,000	\$0	\$0	\$0
Provide funding for a visitor center in the Town of Saint Paul	\$250,000	\$0	\$0	\$0
<b>Virginia Tourism Authority - Total Proposed Amendments</b>	<b>\$5,645,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Commerce and Trade - Total Proposed Amendments</b>	<b>\$167,056,436</b>	<b>(\$32,768,276)</b>	<b>\$0</b>	<b>\$0</b>
<b>Education</b>				
<b>Cooperative Extension and Agricultural Research Services</b>				
Increase federal appropriation	\$0	\$0	\$0	\$1,000,000
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$400,000
<b>Cooperative Extension and Agricultural Research Services - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,400,000</b>
<b>Department of Education, Central Office Operations</b>				
Implement new state assessment contract	\$61,000,000	\$5,000,000	\$0	\$0
Establish School Performance and Support Framework Resource Hub	\$50,250,000	\$1,000,000	\$0	\$0
Support Virginia's Visualization and Analytics Solution	\$1,900,000	\$3,100,000	\$0	\$0
Increase maximum employment level	\$0	\$0	\$0	\$0
Provide funding for the Life Changing Experiences program	\$0	\$0	\$0	\$500,000
Transfer child care employees from the Department of Social Services	\$0	\$0	\$0	\$0
Transfer fund between service areas to reflect expenditures	\$0	\$0	\$0	\$0
Increase federal appropriation	\$0	\$0	\$0	\$14,756,138

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Department of Education, Central Office Operations - Total Proposed Amendments</b>	<b>\$113,150,000</b>	<b>\$9,100,000</b>	<b>\$0</b>	<b>\$15,256,138</b>
<b>Direct Aid to Public Education</b>				
Update English Language Learner data	\$48,806,812	\$61,878,962	\$0	\$0
Establish new Lab Schools in partnership with Historically Black Colleges and Universities	\$25,000,000	\$0	\$0	\$0
Update sales tax revenue for public education	\$20,000,089	\$18,408,591	\$0	\$0
Update Average Daily Membership projections based on actual Fall Membership	\$13,303,251	\$20,545,855	\$0	\$0
Update costs of Categorical programs	\$291,956	\$297,219	\$0	\$0
Update Fall membership data in Direct Aid program formulas	\$259,714	\$304,133	\$0	\$0
Provide Virginia Opportunity Scholarships	\$0	\$50,000,000	\$0	\$0
Increase funding for vision screening grants	\$0	\$200,000	\$0	\$0
Increase support for school construction	\$0	\$0	\$270,000,000	\$20,000,000
Modify Teach for America requirements	\$0	\$0	\$0	\$0
Increase federal appropriation	\$0	\$0	\$356,667,442	\$356,667,442
Serve additional children through modified Early Childhood Care and Education program requirements	\$0	\$0	\$0	\$0
Update sales tax distribution for school age population	\$0	(\$1,611,338)	\$0	\$0
Capture savings from regional Career and Technical Education center consolidation	(\$60,000)	(\$60,000)	\$0	\$0
Update program participation for Remedial Summer School	(\$2,914,657)	\$0	\$0	\$0
Update costs of Incentive programs	(\$4,548,253)	(\$362,914)	\$0	\$0
Update the cost of Lottery-funded programs	(\$13,252,266)	(\$8,921,946)	\$0	\$0
Update Lottery proceeds for public education	(\$40,898,050)	(\$22,409,145)	\$40,898,049	\$22,409,149
<b>Direct Aid to Public Education - Total Proposed Amendments</b>	<b>\$45,988,596</b>	<b>\$118,269,417</b>	<b>\$667,565,491</b>	<b>\$399,076,591</b>
<b>James Madison University</b>				
Adjust nongeneral fund appropriation to reflect anticipated revenue and operations	\$0	\$0	\$0	\$1,609,363
<b>James Madison University - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,609,363</b>
<b>Longwood University</b>				
Adjust indirect cost fund appropriation	\$0	\$0	\$0	\$150,000
<b>Longwood University - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$150,000</b>

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Maintain Affordable Access</b>				
Establish a cap on tuition growth and freeze tuition in 2026	\$0	\$0	\$0	\$0
<b>Maintain Affordable Access - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>New College Institute</b>				
Address agency status	\$0	\$0	\$0	\$0
<b>New College Institute - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Norfolk State University</b>				
Increase auxiliary enterprise appropriation	\$0	\$0	\$0	\$15,000,000
<b>Norfolk State University - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,000,000</b>
<b>Old Dominion University</b>				
Support student lifecycle pathways initiative	\$5,000,000	\$0	\$0	\$0
<b>Old Dominion University - Total Proposed Amendments</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Roanoke Higher Education Authority</b>				
Upgrade information technology fiber infrastructure	\$213,410	\$0	\$0	\$0
Upgrade to cloud based security camera system	\$156,166	\$0	\$0	\$0
Provide power supply units for information technology network switch efficiency	\$71,596	\$0	\$0	\$0
<b>Roanoke Higher Education Authority - Total Proposed Amendments</b>	<b>\$441,172</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Secretary of Education</b>				
Extend report date for Museum of Transportation evaluation	\$0	\$0	\$0	\$0
<b>Secretary of Education - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Southern Virginia Higher Education Center</b>				
Adjust nongeneral fund appropriation	\$0	\$0	\$0	(\$1,200,000)
<b>Southern Virginia Higher Education Center - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,200,000)</b>
<b>Southwest Virginia Higher Education Center</b>				
Support Regional Allied Health Simulation Lab	\$200,000	\$200,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Southwest Virginia Higher Education Center - Total Proposed Amendments</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>
<b>State Council of Higher Education for Virginia</b>				
Appropriate general fund surplus dedicated to waiver programs	\$45,000,000	\$45,000,000	\$0	\$0
Increase support for Virginia Military Survivors and Dependents Education Program (VMSDEP) stipends	\$2,300,000	\$7,100,000	\$0	\$0
Establish grant program to increase the number of nursing graduates	\$0	\$12,000,000	\$0	\$0
Increase funding for the New Economy Workforce Credential Grant Program	\$0	\$3,500,000	\$0	\$0
Provide tuition assistance to nursing students at Hispanic-Serving Institutions	\$0	\$1,500,000	\$0	\$0
Provide funding to maintain the Virginia Longitudinal Data System	\$0	\$504,360	\$0	\$0
Provide funding and a position to support data analysis and visualization	\$0	\$161,589	\$0	\$0
Change financial aid report due dates	\$0	\$0	\$0	\$0
Expand support for waiver programs	\$0	\$0	\$60,000,000	\$60,000,000
<b>State Council of Higher Education for Virginia - Total Proposed Amendments</b>	<b>\$47,300,000</b>	<b>\$69,765,949</b>	<b>\$60,000,000</b>	<b>\$60,000,000</b>
<b>The Library Of Virginia</b>				
Support the Print Collections Inventory Control Project	\$5,154,313	\$0	\$0	\$0
Increase Circuit Court Records Program nongeneral fund appropriation	\$0	\$0	\$0	\$4,800,000
<b>The Library Of Virginia - Total Proposed Amendments</b>	<b>\$5,154,313</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,800,000</b>
<b>University of Mary Washington</b>				
Adjust appropriation to correct base budget adjustments	\$0	\$0	\$0	\$0
<b>University of Mary Washington - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>University of Virginia</b>				
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$35,412,774
Update fund details to reflect actual spending	\$0	\$0	\$0	\$0
<b>University of Virginia - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,412,774</b>
<b>University of Virginia Medical Center</b>				
Increase nongeneral fund appropriation	\$0	\$0	\$8,314,754	\$120,447,299



	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>University of Virginia Medical Center - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,314,754</b>	<b>\$120,447,299</b>
<b>University of Virginia's College at Wise</b>				
Increase federal appropriation	\$0	\$0	\$0	\$6,682,041
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$2,218,487
<b>University of Virginia's College at Wise - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,900,528</b>
<b>Virginia Commonwealth University</b>				
Advance cancer research in the Commonwealth	\$4,000,000	\$0	\$0	\$0
Adjust nongeneral fund appropriation to reflect anticipated revenue and operations	\$0	\$0	\$0	\$61,000,000
<b>Virginia Commonwealth University - Total Proposed Amendments</b>	<b>\$4,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,000,000</b>
<b>Virginia Community College System</b>				
Sustain and expand high school student access to community college dual enrollment and workforce credential programs	\$0	\$15,000,000	\$0	\$0
Adjust appropriation to reflect planned spending	\$0	\$0	\$0	\$0
Modify A.L. Philpott Manufacturing Extension partnership language	\$0	\$0	\$0	\$0
<b>Virginia Community College System - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$15,000,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Cooperative Extension and Agricultural Experiment Station</b>				
Provide funding for advanced equipment and infrastructure	\$750,000	\$0	\$0	\$0
<b>Virginia Cooperative Extension and Agricultural Experiment Station - Total Proposed Amendments</b>	<b>\$750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Institute of Marine Science</b>				
Expand forecasting capabilities to support coastal resilience efforts	\$0	\$485,668	\$0	\$0
Sustain world-class advanced breeding program for shellfish	\$0	\$425,104	\$0	\$0
<b>Virginia Institute of Marine Science - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$910,772</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Museum of Fine Arts</b>				
Redevelop digital education and collection resources	\$248,909	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Virginia Museum of Fine Arts - Total Proposed Amendments</b>	<b>\$248,909</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Polytechnic Institute and State University</b>				
Increase student financial assistance appropriation	\$0	\$0	\$0	\$11,868,281
Increase sponsored program appropriation	\$0	\$0	\$0	\$68,290,911
Increase higher education operating appropriation	\$0	\$0	\$0	\$40,516,029
Increase auxiliary enterprise appropriation	\$0	\$0	\$0	\$17,925,157
<b>Virginia Polytechnic Institute and State University - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$138,600,378</b>
<b>Virginia State University</b>				
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$1,500,000
Increase auxiliary fund appropriation	\$0	\$0	\$0	\$22,000,000
Increase federal appropriation	\$0	\$0	\$0	\$5,000,000
<b>Virginia State University - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,500,000</b>
<b>Education - Total Proposed Amendments</b>	<b>\$222,232,990</b>	<b>\$213,246,138</b>	<b>\$735,880,245</b>	<b>\$888,953,071</b>
<b>Executive Offices</b>				
<b>Attorney General and Department of Law</b>				
Provide funding for Electronic Nicotine Delivery System directory start-up costs	\$90,000	\$0	\$0	\$0
Increase rate payer protection staff	\$0	\$277,077	\$0	\$0
Expand Operation Ceasefire program to Northern Virginia	\$0	\$192,260	\$0	\$0
Transfer appropriation to correct fund	\$0	\$0	\$0	\$0
Increase the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund appropriation and carryforward	\$0	\$0	\$0	\$500,000
<b>Attorney General and Department of Law - Total Proposed Amendments</b>	<b>\$90,000</b>	<b>\$469,337</b>	<b>\$0</b>	<b>\$500,000</b>
<b>Executive Offices - Total Proposed Amendments</b>	<b>\$90,000</b>	<b>\$469,337</b>	<b>\$0</b>	<b>\$500,000</b>
<b>Finance</b>				
<b>Department of Accounts</b>				
Provide accounting staff	\$0	\$547,032	\$0	\$0
Add staff assistant directors	\$0	\$384,188	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Fund small purchase charge card analysts	\$0	\$261,219	\$0	\$0
Add senior engineering resource	\$0	\$228,985	\$0	\$0
Provide VITA hosted servers for web application modernization project	\$0	\$215,000	\$0	\$0
Add statewide payroll operations assistant director	\$0	\$192,094	\$0	\$0
Add cybersecurity position	\$0	\$179,797	\$0	\$0
Implement application and source code security	\$0	\$173,139	\$0	\$0
Add general accounting lead analyst	\$0	\$149,055	\$0	\$0
Add finance and administration analyst	\$0	\$136,758	\$0	\$0
Add executive assistant	\$0	\$112,164	\$0	\$0
Implement web application firewall	\$0	\$78,992	\$0	\$0
<b>Department of Accounts - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$2,658,423</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Accounts Transfer Payments</b>				
Provide funding for Car Tax Credits	\$1,103,000,000	\$0	\$0	\$0
Appropriate required Revenue Reserve Fund deposit	\$294,482,240	\$0	\$0	\$0
<b>Department of Accounts Transfer Payments - Total Proposed Amendments</b>	<b>\$1,397,482,240</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Taxation</b>				
Increase appropriation for the replacement of revenue management system	\$131,000,000	\$0	\$0	\$0
Provide appropriation for the replacement of unsupported systems	\$1,500,000	\$3,202,000	\$0	\$0
Provide appropriation for postage cost increase	\$564,244	\$745,322	\$0	\$0
Increase appropriation to implement security initiatives	\$400,000	\$1,818,069	\$0	\$0
Provide appropriation for additional personnel	\$0	\$2,282,687	\$0	\$0
Increase appropriation for development of open space values	\$0	\$136,038	\$0	\$0
Transfer appropriation between service areas	\$0	\$0	\$0	\$0
Amend refund procedures for internet service providers exemption	\$0	\$0	\$0	\$0
Transfer appropriation to correct fund	\$0	\$0	\$0	\$0
<b>Department of Taxation - Total Proposed Amendments</b>	<b>\$133,464,244</b>	<b>\$8,184,116</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of the Treasury</b>				
Provide adequate staffing for trust accounting unit	\$0	\$114,092	\$0	\$38,031

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Provide staffing to upgrade investments IT system	\$0	\$100,605	\$0	\$100,605
Subscribe to VITA disaster recovery services	\$0	\$32,407	\$0	\$38,043
<b>Department of the Treasury - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$247,104</b>	<b>\$0</b>	<b>\$176,679</b>
<b>Treasury Board</b>				
Adjust debt service estimates	(\$12,112,253)	\$2,317,356	\$0	\$0
<b>Treasury Board - Total Proposed Amendments</b>	<b>(\$12,112,253)</b>	<b>\$2,317,356</b>	<b>\$0</b>	<b>\$0</b>
<b>Finance - Total Proposed Amendments</b>	<b>\$1,518,834,231</b>	<b>\$13,406,999</b>	<b>\$0</b>	<b>\$176,679</b>
<b>Health and Human Resources</b>				
<b>Children's Services Act</b>				
Fund forecast for services provided to at risk youth	\$37,042,723	\$68,309,008	\$0	\$0
Increase administrative budget for essential functions	\$0	\$58,540	\$0	\$0
Eliminate supplemental funding model	\$0	\$0	\$0	\$0
<b>Children's Services Act - Total Proposed Amendments</b>	<b>\$37,042,723</b>	<b>\$68,367,548</b>	<b>\$0</b>	<b>\$0</b>
<b>Department for Aging and Rehabilitative Services</b>				
Increase indirect cost appropriation to reflect revenue	\$0	\$0	\$0	\$1,654,454
Combine fund pools for Long Term Employment Support Services and Extended Employment Services	\$0	\$0	\$0	\$0
Adjust vocational rehabilitation appropriation to reflect increase in grant revenue	\$0	\$0	\$0	\$6,514,834
<b>Department for Aging and Rehabilitative Services - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,169,288</b>
<b>Department for the Blind and Vision Impaired</b>				
Fund interagency contract cost gap for essential administrative services	\$0	\$999,966	\$0	\$492,520
Provide materials for rehabilitation teaching and independent living program	\$0	\$375,000	\$0	\$0
Add nongeneral fund positions for vocational rehabilitation and enterprise programs	\$0	\$0	\$0	\$0
Increase enterprise nongeneral fund appropriation	\$0	\$0	\$0	\$5,000,000
<b>Department for the Blind and Vision Impaired - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$1,374,966</b>	<b>\$0</b>	<b>\$5,492,520</b>

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Department for the Deaf and Hard-Of-Hearing</b>				
Study anticipated digital transition for Virginia Relay	\$50,000	\$0	\$0	\$0
Fund interagency contract cost gap for essential administrative services	\$0	\$74,544	\$0	\$0
Add position for full time deaf mentor coordinator	\$0	\$0	\$0	\$0
<b>Department for the Deaf and Hard-Of-Hearing - Total Proposed Amendments</b>	<b>\$50,000</b>	<b>\$74,544</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Behavioral Health and Developmental Services</b>				
Support the Youth Mental Health Matters initiative	\$1,000,000	\$0	\$0	\$0
Fund administrative costs of new developmental disability Medicaid waiver slots	\$211,692	\$956,262	\$211,692	\$1,472,262
Provide funding for special conservators of the peace at private hospitals	\$0	\$35,214,906	\$0	\$0
Provide funding for developmental disability services and quality assurance	\$0	\$4,576,719	\$0	\$532,410
Sustain the Adult Psychiatric Access Line	\$0	\$1,534,100	\$0	\$0
Fund licensing positions to comply with code and regulatory requirements	\$0	\$663,758	\$0	\$0
Dedicate resources to support information security	\$0	\$186,963	\$0	\$0
Transfer funds for assertive community treatment program evaluations	\$0	\$159,200	\$0	\$0
Provide flexibility in school-based mental health program to support dual model service delivery	\$0	\$0	\$0	\$0
Amend language for grants to recovery residences	\$0	\$0	\$0	\$0
Align appropriation between programs	\$0	\$0	\$0	\$0
Address problem gambling in Virginia	\$0	\$0	\$0	\$1,461,281
Add emergency regulatory language for peer support trainees	\$0	\$0	\$0	\$0
<b>Department of Behavioral Health and Developmental Services - Total Proposed Amendments</b>	<b>\$1,211,692</b>	<b>\$43,291,908</b>	<b>\$211,692</b>	<b>\$3,465,953</b>
<b>Department of Health</b>				
Fund implementation of rainwater harvesting system regulations	\$118,551	\$118,551	\$0	\$0
Provide funding for a perinatal health hub pilot program	\$0	\$2,500,000	\$0	\$0
Provide support to maintain compliance with drinking water regulations	\$0	\$1,803,598	\$0	\$0
Continue support for the Division of Disease Prevention due to decreased federal support	\$0	\$1,000,000	\$0	\$0
Add support for community health workers and doulas at local health districts	\$0	\$1,000,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Provide support for the Home Care Organization Licensure Program	\$0	\$853,098	\$0	\$0
Provide support for information technology security audits and mandatory investigations	\$0	\$847,529	\$0	\$0
Support rent increases at local health department facilities	\$0	\$546,266	\$0	\$421,680
Fund electronic health records system	\$0	\$500,000	\$0	\$0
Establish a Large Animal Veterinary Loan Repayment program	\$0	\$450,000	\$0	\$0
Provide support for intermediate disciplinary actions for medical care facilities	\$0	\$319,883	\$0	\$0
Update language to reflect current funding levels for the Virginia Center for Health Innovation	\$0	\$0	\$0	\$0
Restrict taxpayer funding for abortion services	\$0	\$0	\$0	\$0
Remove budget language that prohibits changes to emergency medical services council regional boundaries	\$0	\$0	\$0	\$0
Reduce excess federal appropriation	\$0	\$0	\$0	(\$68,074,469)
Complete opioid impact reduction registry	\$0	\$0	\$0	\$100,000
Transfer funding for naloxone purchases to correct service area	\$0	\$0	\$0	\$0
Amend language for the State Pharmaceutical Assistance Program to expand access to purchase HIV prevention medication	\$0	\$0	\$0	\$0
Increase vital records fee for expedited records	\$0	\$0	\$0	\$0
<b>Department of Health - Total Proposed Amendments</b>	<b>\$118,551</b>	<b>\$9,938,925</b>	<b>\$0</b>	<b>(\$67,552,789)</b>
<b>Department of Health Professions</b>				
Provide base appropriation for legal proceeds	\$0	\$0	\$0	\$575,000
Add emergency regulatory language for peer recovery specialist-trainees	\$0	\$0	\$0	\$0
<b>Department of Health Professions - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$575,000</b>
<b>Department of Medical Assistance Services</b>				
Fund Medicaid utilization and inflation	\$336,971,303	\$295,242,919	\$1,243,456,301	\$845,881,485
Fund medical assistance services for low-income children utilization and inflation	\$22,386,335	\$25,248,805	\$41,664,848	\$44,098,221
Fund Family Access to Medical Insurance Security utilization and inflation	\$18,469,990	\$22,211,865	\$33,003,841	\$35,441,604
Comply with federal eligibility and processing rules	\$715,000	\$0	\$1,965,000	\$0
Provide funding for Virginia Task Force on Primary Care	\$250,000	\$0	\$250,000	\$0
Authorize implementation of 1115 serious mental illness waiver	\$162,825	\$998,595	\$337,175	\$2,521,478

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Ensure compliance with state and federal developmental disability waiver requirements	\$150,000	\$239,289	\$850,000	\$239,289
Create a funding reserve for Medicaid initiatives	\$0	\$972,941	\$0	\$0
Fund administrative contract escalation costs	\$0	\$390,567	\$0	\$711,517
Cover pre-release Medicaid services for justice involved youth	\$0	\$367,178	\$1,000,000	\$855,026
Allow children served in psychiatric residential treatment facilities to remain enrolled in managed care	\$0	\$273,575	\$0	\$290,568
Unbundle long-acting injectables for serious mental illness	\$0	\$177,906	\$0	\$1,302,361
Clarify third party liability rules	\$0	\$0	\$0	\$0
Update nursing facility reimbursement methodology	\$0	\$0	\$0	\$0
Modify managed care contract language	\$0	\$0	\$0	\$0
Increase payments for psychiatric and obstetric-gynecological graduate medical residencies	\$0	\$0	\$0	\$0
Authorize final exempt authority to update reimbursement regulations	\$0	\$0	\$0	\$0
Clarify spending on mail room operations	\$0	\$0	\$0	\$0
Clarify the removal of cost sharing in existing Appropriation Act language	\$0	\$0	\$0	\$0
Allow for an hourly adult day health care rate	\$0	\$0	\$0	\$0
Fund the cost of medical services for involuntary mental commitments	(\$863,103)	(\$695,709)	\$0	\$0
Adjust Health Care Fund appropriation	(\$48,845,662)	\$15,460,000	\$48,845,662	(\$15,460,000)
<b>Department of Medical Assistance Services - Total Proposed Amendments</b>	<b>\$329,396,688</b>	<b>\$360,887,931</b>	<b>\$1,371,372,827</b>	<b>\$915,881,549</b>
<b>Department of Social Services</b>				
Fund the Temporary Assistance for Needy Families benefits and Virginia Initiative for Education and Work childcare forecast	\$1,993,498	\$1,791,103	(\$22,800,242)	(\$27,778,979)
Enhance child protective services	\$500,000	\$7,466,148	\$0	\$0
Cover administrative costs of child support enforcement	\$449,239	\$457,563	\$872,053	\$888,213
Fund increase in employment and income verification contractual services	\$0	\$7,310,288	\$0	\$6,482,709
Fund foster care and adoption cost of living adjustments	\$0	\$1,534,927	\$0	\$1,360,628
Enhance electronic identity validation efforts	\$0	\$805,000	\$0	\$805,000
Provide funding to modernize the 2-1-1 system	\$0	\$500,000	\$0	\$500,000
Address increased procurement workload	\$0	\$310,875	\$0	\$310,875
Clarify Percentage of Income Payment Program language	\$0	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Expand the Temporary Assistance for Needy Families Full Employment Program	\$0	\$0	\$0	\$440,000
Move child care employees to the Virginia Department of Education	\$0	\$0	\$0	\$0
Appropriate benefits for the summer Electronic Benefits Transfer program for children	\$0	\$0	\$0	\$105,203,000
Increase appropriation for local operations and the background information system	\$0	\$0	\$14,463,813	\$14,463,813
Adjust appropriations to align with agency operations	\$0	\$0	(\$25,000,000)	(\$25,000,000)
Appropriate anticipated federal energy assistance revenue	\$0	\$0	\$12,003,176	\$12,003,176
Fund the child welfare forecast	(\$14,344,210)	(\$12,992,409)	(\$9,763,277)	(\$9,243,568)
<b>Department of Social Services - Total Proposed Amendments</b>	<b>(\$11,401,473)</b>	<b>\$7,183,495</b>	<b>(\$30,224,477)</b>	<b>\$80,434,867</b>
<b>Grants to Localities</b>				
Increase support for Part C Early Intervention	\$0	\$1,457,644	\$0	\$0
Fund crisis co-response programs	\$0	\$1,200,000	\$0	\$0
Fund youth peer support specialists	\$0	\$777,000	\$0	\$0
Transfer funds for assertive community treatment program evaluations	\$0	(\$159,200)	\$0	\$0
<b>Grants to Localities - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$3,275,444</b>	<b>\$0</b>	<b>\$0</b>
<b>Intellectual Disabilities Training Centers</b>				
Fund salary alignments for trades positions at state facilities	\$0	\$146,648	\$0	\$0
<b>Intellectual Disabilities Training Centers - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$146,648</b>	<b>\$0</b>	<b>\$0</b>
<b>Mental Health Treatment Centers</b>				
Address rising pharmaceutical costs at state facilities	\$0	\$3,261,765	\$0	\$0
Fund salary alignments for trades positions at state facilities	\$0	\$2,204,765	\$0	\$0
Fund additional forensic evaluators	\$0	\$800,908	\$0	\$0
<b>Mental Health Treatment Centers - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$6,267,438</b>	<b>\$0</b>	<b>\$0</b>
<b>Secretary of Health and Human Resources</b>				
Raise awareness of maternal health warning signs	\$500,000	\$0	\$0	\$0
Enhance the collegiate experience for individuals with developmental disabilities	\$100,000	\$0	\$0	\$0



	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Secretary of Health and Human Resources - Total Proposed Amendments</b>	<b>\$600,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Virginia Board for People with Disabilities</b>				
Fund interagency contract cost gap for essential administrative services	\$0	\$31,593	\$0	\$0
<b>Virginia Board for People with Disabilities - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$31,593</b>	<b>\$0</b>	<b>\$0</b>
<b>Health and Human Resources - Total Proposed Amendments</b>	<b>\$357,018,181</b>	<b>\$500,840,440</b>	<b>\$1,341,360,042</b>	<b>\$946,466,388</b>
<b>Independent Agencies</b>				
<b>Commonwealth Savers Plan</b>				
Use Commonwealth Savers Plan excess funding for Virginia Military Survivors and Dependents Program	\$0	\$0	\$0	\$0
<b>Commonwealth Savers Plan - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Opioid Abatement Authority</b>				
Adjust appropriation to align with anticipated revenues and awards	\$0	\$0	\$7,525,210	\$1,721,188
<b>Opioid Abatement Authority - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,525,210</b>	<b>\$1,721,188</b>
<b>State Corporation Commission</b>				
Provide nongeneral fund appropriation for Central Accounts actions	\$0	\$0	\$0	\$4,615,332
Provide additional appropriation for the Commonwealth Health Reinsurance Program	\$0	\$0	\$0	\$127,821,432
<b>State Corporation Commission - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,436,764</b>
<b>Virginia Lottery</b>				
Provide treasury loan authorization for potential Virginia Gaming Commission	\$0	\$0	\$0	\$0
Adjust appropriation due to an increase in player prize payouts	\$0	\$0	\$0	\$200,000,000
Adjust appropriation to address the increased operation costs related to the sale of lottery products	\$0	\$0	\$0	\$23,414,316
<b>Virginia Lottery - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$223,414,316</b>
<b>Independent Agencies - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,525,210</b>	<b>\$357,572,268</b>

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Judicial</b>				
<b>Indigent Defense Commission</b>				
Increase appropriation to hire interpreter and paralegal positions	\$0	\$0	\$220,968	\$220,968
Increase appropriation to account for additional Opioid Abatement Authority grant funding	\$0	\$0	\$182,995	\$185,122
Increase appropriation to account for locality supplemental pay	\$0	\$0	\$1,254,984	\$1,254,984
<b>Indigent Defense Commission - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,658,947</b>	<b>\$1,661,074</b>
<b>Supreme Court</b>				
Fund enterprise-wide identity access management (IAM) security solution	\$718,000	\$800,000	\$0	\$0
Increase funding for technology expenses	\$0	\$3,000,000	\$0	\$0
Increase funding for mandated criminal sealing legislation	\$0	\$2,985,674	\$0	\$0
<b>Supreme Court - Total Proposed Amendments</b>	<b>\$718,000</b>	<b>\$6,785,674</b>	<b>\$0</b>	<b>\$0</b>
<b>Judicial - Total Proposed Amendments</b>	<b>\$718,000</b>	<b>\$6,785,674</b>	<b>\$1,658,947</b>	<b>\$1,661,074</b>
<b>Labor</b>				
<b>Department of Labor and Industry</b>				
Fund medical evaluations and annual physicals to safety and health compliance officers	\$75,250	\$75,250	\$0	\$0
Fund headquarters rent increase	\$52,370	\$52,370	\$22,872	\$22,872
<b>Department of Labor and Industry - Total Proposed Amendments</b>	<b>\$127,620</b>	<b>\$127,620</b>	<b>\$22,872</b>	<b>\$22,872</b>
<b>Department of Professional and Occupational Regulation</b>				
Replace existing, mission-critical systems	\$0	\$0	\$0	\$2,486,600
<b>Department of Professional and Occupational Regulation - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,486,600</b>
<b>Department of Workforce Development and Advancement</b>				
Promote the Virginia Has Jobs initiative	\$2,050,000	\$0	\$0	\$0
Expand re-entry placement pilot program	\$0	\$376,935	\$0	\$0
Provide support for agency administration	\$0	\$350,000	\$0	\$0
Provide line of credit to serve as revenue stabilization fund	\$0	\$0	\$0	\$0
Moves appropriation to the correct fund and removes appropriation for the Trade Adjustment Assistance Fund	\$0	\$0	\$0	(\$10,000,000)

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Department of Workforce Development and Advancement - Total Proposed Amendments</b>	<b>\$2,050,000</b>	<b>\$726,935</b>	<b>\$0</b>	<b>(\$10,000,000)</b>
<b>Virginia Employment Commission</b>				
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$12,999,557
Reestablish appropriation for the Trade Adjustment Assistance Fund	\$0	\$0	\$0	\$10,000,000
<b>Virginia Employment Commission - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,999,557</b>
<b>Labor - Total Proposed Amendments</b>	<b>\$2,177,620</b>	<b>\$854,555</b>	<b>\$22,872</b>	<b>\$15,509,029</b>
<b>Legislative</b>				
<b>Virginia-Israel Advisory Board</b>				
Increase operational support	\$0	\$57,553	\$0	\$0
<b>Virginia-Israel Advisory Board - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$57,553</b>	<b>\$0</b>	<b>\$0</b>
<b>Legislative - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$57,553</b>	<b>\$0</b>	<b>\$0</b>
<b>Natural and Historic Resources</b>				
<b>Department of Conservation and Recreation</b>				
Deposit part of the surplus to the Water Quality Improvement Fund and the Virginia Natural Resources Commitment Fund	\$26,296,400	\$0	\$0	\$0
Initiate membership in the Virginia Law Officers' Retirement System for conservation officers	\$0	\$610,000	\$0	\$0
Provide support for capital outlay in the Division of Planning and Recreation Resources	\$0	\$323,846	\$0	\$0
Provide funding for district dam rehabilitation engineers	\$0	\$0	\$0	\$355,393
Increase positions to provide oversight and assistance for districts	\$0	\$0	\$0	\$462,541
Establish a nongeneral fund revenue specialist position	\$0	\$0	\$0	\$216,371
<b>Department of Conservation and Recreation - Total Proposed Amendments</b>	<b>\$26,296,400</b>	<b>\$933,846</b>	<b>\$0</b>	<b>\$1,034,305</b>
<b>Department of Environmental Quality</b>				
Appropriate funds to support the Richmond Combined Sewer Overflow project	\$50,000,000	\$0	\$0	\$0
Deposit part of the surplus to the Water Quality Improvement Fund to support the Enhanced Nutrient Removal Certainty Program	\$17,390,600	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Fund upgrades at the Richlands Regional Water Treatment Facility	\$1,500,000	\$0	\$0	\$0
Meet increase in Interstate Commission on the Potomac River Basin contribution	\$0	\$53,600	\$0	\$0
Increase federal appropriation to account for anticipated revenues	\$0	\$0	\$0	\$486,250
Build Coal Combustion Residuals grant into the base	\$0	\$0	\$0	\$102,942
Adjustment nongeneral fund base appropriation	\$0	\$0	\$0	\$0
Modify language to reappropriate one-time amounts for two water quality initiatives	\$0	\$0	\$0	\$0
Delay Polystyrene Ban Effective Date	\$0	\$0	\$0	\$0
<b>Department of Environmental Quality - Total Proposed Amendments</b>	<b>\$68,890,600</b>	<b>\$53,600</b>	<b>\$0</b>	<b>\$589,192</b>
<b>Department of Historic Resources</b>				
Move pass-through funding to the first year	\$750,000	(\$750,000)	\$0	\$0
Provide funding for additional legal assistance	\$250,000	\$0	\$0	\$0
Modify tribal internship language	\$0	\$0	\$0	\$0
<b>Department of Historic Resources - Total Proposed Amendments</b>	<b>\$1,000,000</b>	<b>(\$750,000)</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Wildlife Resources</b>				
Leverage federal funds for the relocation of Virginia's largest seabird colony	\$4,431,141	\$0	\$0	\$0
<b>Department of Wildlife Resources - Total Proposed Amendments</b>	<b>\$4,431,141</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Marine Resources Commission</b>				
Retrofit office space and increase building safety	\$150,000	\$0	\$0	\$0
<b>Marine Resources Commission - Total Proposed Amendments</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Natural and Historic Resources - Total Proposed Amendments</b>	<b>\$100,768,141</b>	<b>\$237,446</b>	<b>\$0</b>	<b>\$1,623,497</b>
<b>Public Safety and Homeland Security</b>				
<b>Department of Corrections</b>				
Fund mobile classroom trailers for career and technical education programs	\$2,100,000	\$0	\$0	\$0
Increase funding for inmate medical costs	\$0	\$4,060,730	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Provide funding for proposed 2025 Session legislation that may impact need for prison beds	\$0	\$987,368	\$0	\$0
Expand dental services for inmates	\$0	\$934,566	\$0	\$0
Increase community corrections' use of electronic monitoring tools	\$0	\$905,000	\$0	\$0
<b>Department of Corrections - Total Proposed Amendments</b>	<b>\$2,100,000</b>	<b>\$6,887,664</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Criminal Justice Services</b>				
Increase funding for the School Resource Officer Incentive Grants Fund	\$6,837,475	\$0	\$0	\$0
Provide funding for public safety communications infrastructure grants	\$2,500,000	\$0	\$0	\$0
Fund the development of an online testing module	\$450,000	\$0	\$0	\$0
Increase funding for the Victim Witness Grant Program	\$200,000	\$200,000	\$0	\$0
Fund Temporary Custody Order (TDO) and Emergency Custody Order (ECO) transportation	\$0	\$3,500,000	\$0	\$0
Increase funding for the Office of First Responder Wellness	\$0	\$322,218	\$0	\$0
Increase funding for the Drug Abuse Resistance Education (DARE) program	\$0	\$30,000	\$0	\$0
<b>Department of Criminal Justice Services - Total Proposed Amendments</b>	<b>\$9,987,475</b>	<b>\$4,052,218</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Emergency Management</b>				
Replenish the HazMat Revolving Disaster Response Fund	\$150,000	\$0	\$0	\$0
Increase funding for hazardous materials response program	\$0	\$0	\$23,991	\$48,703
<b>Department of Emergency Management - Total Proposed Amendments</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$23,991</b>	<b>\$48,703</b>
<b>Department of Fire Programs</b>				
Provide protective equipment for local firefighters	\$0	\$5,000,000	\$0	\$0
Add state fire marshal positions	\$0	\$688,290	\$0	\$0
Add positions to support training and management divisions	\$0	\$0	\$0	\$0
<b>Department of Fire Programs - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$5,688,290</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Forensic Science</b>				
Increase staffing for the Forensic Biology Section (DNA)	\$0	\$292,801	\$0	\$0
Increase staffing for new Central Laboratory facility maintenance	\$0	\$235,309	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Department of Forensic Science - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$528,110</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Juvenile Justice</b>				
Provide funding to address increased costs of admissions, placements, and contracted services for committed youth	\$0	\$3,100,000	\$0	\$0
Align positions and funding to reflect agency operations	\$0	\$0	\$0	\$0
<b>Department of Juvenile Justice - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$3,100,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of State Police</b>				
Procure additional LiveScan machines	\$2,376,000	\$0	\$0	\$0
Provide salary increase for sworn positions	\$0	\$3,264,000	\$0	\$0
Provide nongeneral fund positions for express lane enforcement	\$0	\$0	\$0	\$0
Increase nongeneral fund appropriation for the Sex Offender Registry Fund	\$0	\$0	\$0	\$885,000
Increase nongeneral fund appropriation for the Services Provided Fund	\$0	\$0	\$0	\$2,500,000
Increase nongeneral fund appropriation for the sale of surplus equipment and supplies	\$0	\$0	\$0	\$150,000
Increase nongeneral fund appropriation for the eSummons system	\$0	\$0	\$0	\$750,000
Increase federal appropriation	\$0	\$0	\$0	\$5,000,000
Provide nongeneral fund support for Virginia Criminal Information Network (VCIN) upgrades	\$0	\$0	\$0	\$2,208,800
Remove general fund appropriation for vetoed legislation	(\$234,360)	\$0	\$0	\$0
<b>Department of State Police - Total Proposed Amendments</b>	<b>\$2,141,640</b>	<b>\$3,264,000</b>	<b>\$0</b>	<b>\$11,493,800</b>
<b>Virginia Parole Board</b>				
Provide additional positions to support agency operations	\$0	\$145,915	\$0	\$0
<b>Virginia Parole Board - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$145,915</b>	<b>\$0</b>	<b>\$0</b>
<b>Public Safety and Homeland Security - Total Proposed Amendments</b>	<b>\$14,379,115</b>	<b>\$23,666,197</b>	<b>\$23,991</b>	<b>\$11,542,503</b>
<b>Transportation</b>				
<b>Department of Aviation</b>				
Support regional airport project	\$0	\$0	\$0	\$0
Support health insurance increase	\$0	\$0	\$0	\$39,156
Support authorized salary increases	\$0	\$0	\$0	\$280,247

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Adjust appropriation to support the Aviation and Airport Promotion Program	\$0	\$0	\$0	\$0
<b>Department of Aviation - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$319,403</b>
<b>Department of Motor Vehicles</b>				
Retain rental revenue	\$0	\$0	\$0	\$0
Align appropriation with anticipated spending	\$0	\$0	\$0	\$0
Authorize credit card convenience fee for transactions \$10,000 and over	\$0	\$0	\$0	\$0
Support mainframe replacement project	\$0	\$0	\$0	\$25,000,000
<b>Department of Motor Vehicles - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000,000</b>
<b>Department of Motor Vehicles Transfer Payments</b>				
Align appropriation with increased collections and payments for mobile home sales tax	\$0	\$0	\$2,500,000	\$2,500,000
<b>Department of Motor Vehicles Transfer Payments - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$2,500,000</b>
<b>Department of Rail and Public Transportation</b>				
Update support for the Washington Metropolitan Area Transit Authority	\$73,370,000	(\$84,500,000)	\$0	\$0
<b>Department of Rail and Public Transportation - Total Proposed Amendments</b>	<b>\$73,370,000</b>	<b>(\$84,500,000)</b>	<b>\$0</b>	<b>\$0</b>
<b>Department of Transportation</b>				
Appropriate general fund surplus dedicated to Interstate 81	\$175,000,000	\$0	\$0	\$0
Adjust appropriation based on new revenue estimates and program adjustments	\$0	\$0	\$0	(\$61,778,134)
Adjust appropriation to reflect financial plan	\$0	\$0	\$313,270,378	(\$45,091,418)
Authorize the sale of property	\$0	\$0	\$0	\$0
Clarify toll relief language	\$0	\$0	\$0	\$0
Eliminate tolling on the George P. Coleman Bridge	\$0	\$0	\$0	\$0
<b>Department of Transportation - Total Proposed Amendments</b>	<b>\$175,000,000</b>	<b>\$0</b>	<b>\$313,270,378</b>	<b>(\$106,869,552)</b>
<b>Department of Transportation Transfer Payments</b>				
Adjust appropriation based on new revenue estimates to support regional transportation programs	\$0	\$0	\$0	\$58,589,455
Adjust appropriations to reflect the financial plan	\$0	\$0	(\$4,077,876)	(\$1,600,705)

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Department of Transportation Transfer Payments - Total Proposed Amendments</b>	\$0	\$0	(\$4,077,876)	\$56,988,750
<b>Virginia Commercial Space Flight Authority</b>				
Align appropriation with anticipated revenues	\$0	\$0	\$96,903	\$1,022,591
<b>Virginia Commercial Space Flight Authority - Total Proposed Amendments</b>	\$0	\$0	\$96,903	\$1,022,591
<b>Virginia Port Authority</b>				
Support dredging project	\$1,000,000	\$0	\$0	\$0
<b>Virginia Port Authority - Total Proposed Amendments</b>	\$1,000,000	\$0	\$0	\$0
<b>Transportation - Total Proposed Amendments</b>	<b>\$249,370,000</b>	<b>(\$84,500,000)</b>	<b>\$311,789,405</b>	<b>(\$21,038,808)</b>
<b>Veterans and Defense Affairs</b>				
<b>Department of Military Affairs</b>				
Add a line of credit for federally-reimbursable capital projects	\$0	\$0	\$0	\$0
Establish nongeneral fund appropriation to support state active-duty response	\$0	\$0	\$0	\$500,000
Fund a new STARBASE program	\$0	\$0	\$858,540	\$462,500
<b>Department of Military Affairs - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$858,540</b>	<b>\$962,500</b>
<b>Department of Veterans Services</b>				
Support start-up operations at Jones & Cabacoy and Puller Veterans Care Centers	\$4,660,000	\$0	\$0	\$0
Support information technology systems	\$812,142	\$339,956	\$0	\$0
Fund Veterans Education Training and Employment specialist	\$0	\$126,068	\$0	\$0
Transfer positions to reflect agency operations	\$0	\$0	\$0	\$0
Provide nongeneral fund positions for the Davis & McDaniel Veterans Care Center	\$0	\$0	\$0	\$0
Establish Veterans Care Center line of credit	\$0	\$0	\$0	\$0
<b>Department of Veterans Services - Total Proposed Amendments</b>	<b>\$5,472,142</b>	<b>\$466,024</b>	<b>\$0</b>	<b>\$0</b>
<b>Veterans Services Foundation</b>				
Increase general fund support for wage position	\$0	\$31,200	\$0	\$0
Support website security and maintenance	\$0	\$12,000	\$0	\$0
Increase funding for travel expenses	\$0	\$7,000	\$0	\$0



	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
<b>Veterans Services Foundation - Total Proposed Amendments</b>	<b>\$0</b>	<b>\$50,200</b>	<b>\$0</b>	<b>\$0</b>
<b>Veterans and Defense Affairs - Total Proposed Amendments</b>	<b>\$5,472,142</b>	<b>\$516,224</b>	<b>\$858,540</b>	<b>\$962,500</b>