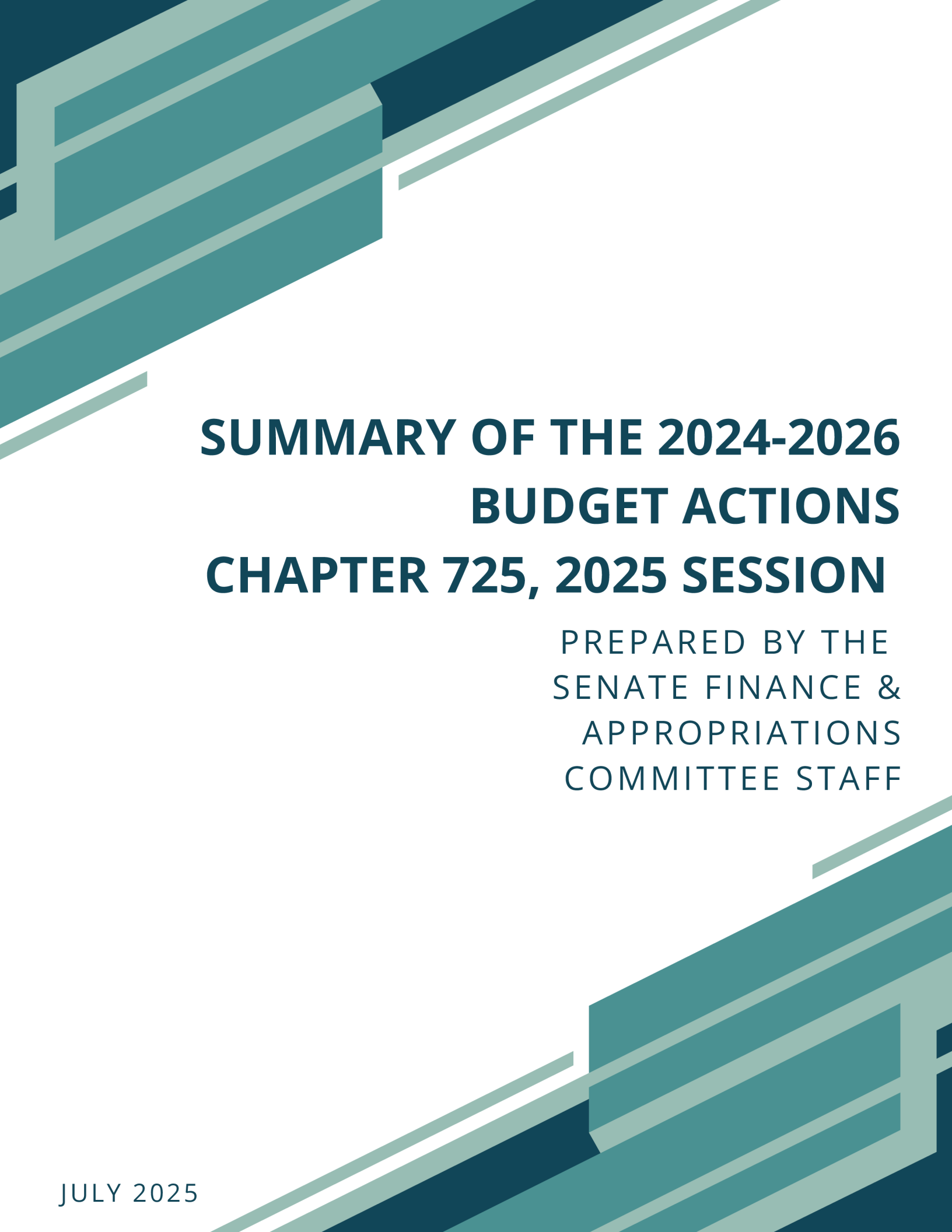




SUMMARY OF THE 2024-2026 BUDGET ACTIONS CHAPTER 725, 2025 SESSION

PREPARED BY THE
SENATE FINANCE &
APPROPRIATIONS
COMMITTEE STAFF

JULY 2025

Introduction

This document was prepared by the staff of the Senate Finance & Appropriations Committee as a summary of adopted amendments to the budget for the 2024-26 biennium, Chapter 725 (introduced as HB 1600 during the 2025 Session).

SENATE FINANCE & APPROPRIATIONS COMMITTEE

Staff

April Kees, Director
Cailin Bownas
Melissa Mayes
Anya Pfeiffer
Catie Robertson
Kendra Brown Shifflett
Michael Tweedy
Tyler Williams

Table of Contents

Overview of the Amendments to the 2024-26 Budget.....	4
Resources.....	24
Legislative	36
Judicial	40
Executive Offices	43
Administration.....	44
Agriculture and Forestry.....	52
Commerce and Trade	54
Public Education.....	62
Higher Education.....	76
Other Education	86
Finance	88
Health and Human Resources	94
Labor	131
Natural and Historic Resources	133
Public Safety and Homeland Security	140
Transportation	150
Veterans and Defense Affairs	155
Central Appropriations.....	157
Independent Agencies.....	162
Capital Outlay	165
Chapter 725 Appendices	178

Overview of the Amendments to the 2024-26 Budget

Amendments to the 2024-26 biennial budget in Chapter 725, 2025 Acts of Assembly, 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 \$4.8 billion in additional resources for appropriation, including \$3.3 billion from economic forecast adjustments, a net reduction of \$99.4 million from assumed tax policy actions, \$1.5 billion from balances, a proposed \$203.0 million transfer from the Revenue Reserve Fund, and a net \$83.5 million reduction in transfers. The amendments include operating spending adjustments of \$3.7 billion GF and capital spending adjustments of \$1.0 billion GF. Chapter 725 has an unappropriated balance of \$47.0 million over the biennium, compared to the \$17.6 million unappropriated balance assumed in Chapter 2, 2024 Special Session I.

The Governor exercised six line-item vetoes prior to the Reconvened Session that impacted \$4.0 million GF in spending and 37 additional line-item vetoes Post-Reconvened Session, which impacted both resource and spending actions by a net \$849.5 million GF. Most of the line-item vetoes, \$849.5 million GF, were executed after the Reconvened Session and 80.0 percent, \$691.3 million, of the vetoes were capital appropriations. The Keeper of the Rolls determined that three vetoes were unconstitutional and would not be printed, reducing the net impact of the vetoes to \$836.6 million. Vetoed appropriations will be unallotted when the appropriations are distributed to agencies and therefore unavailable for expenditure. The unallotments will subsequently be reverted as balance adjustments in the introduced budget bill for amendments to the 2024-26 biennial budget (Caboose Budget Bill) and provide \$883.6 million in unappropriated balances from Chapter 725 for appropriation.

General Fund Resources Available for Appropriation (\$ in millions)			
	FY 2025	FY 2026	Biennium
Chapter 2 GF Revenue and Transfers	\$32,728.4	\$31,989.8	\$64,718.2
Economic GF Forecast Adjustments	2,101.3	1,180.3	3,281.6
Net Assumed Tax Policy Actions	(4.0)	(95.4)	(99.4)
Adjustments to Balance	1,477.3	20.0	1,497.3

General Fund Resources Available for Appropriation (\$ in millions)			
	FY 2025	FY 2026	Biennium
Transfer: Revenue Reserve Fund	203.0	-	203.0
Transfer Adjustments	<u>59.2</u>	<u>(142.7)</u>	<u>(83.5)</u>
Total GF Resources Available for Appropriation	\$36,565.3	\$32,952.0	\$69,517.3
Chapter 2 Spending	\$32,476.4	\$32,224.2	\$64,700.6
Operating Spending	2,972.3	754.1	3,726.4
Capital Outlay Spending	<u>1,103.2</u>	<u>(60.0)</u>	<u>1,043.2</u>
Total Appropriations	\$36,551.9	\$32,918.3	\$69,470.2
Unappropriated Balance, Chapter 725	\$13.4	\$33.7	\$47.0
Reconvened Vetoes	(\$4.0)	\$0.0	(\$4.0)
Post-Reconvened Vetoes	<u>(824.2)</u>	<u>(25.3)</u>	<u>(849.5)</u>
Veto Subtotal (add to balance)	(\$828.2)	(\$25.3)	(\$853.5)
Unappropriated Balance with Veto Actions*	\$841.5	\$59.0	\$900.5
*Keeper of the Rolls' determination reduces the unappropriated balance by \$16.9 million GF in FY 2026			

Revenue. The amendments to the 2024-26 biennial budget increase general fund resources by \$4.8 billion, totaling \$69.5 billion available for the 2024-26 biennium. Based on the fall revenue forecasting inputs and adjustments during the Session, the 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 the 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 amended budget also includes a net reduction of \$99.4 million associated with tax policy actions. Accounting for tax policy actions in the amended budget, general fund revenue is, excluding transfers, assumed to increase 4.1 percent in FY 2025 and 2.3 percent in FY 2026. Major tax policy actions include increasing the state standard deduction by \$250 for single filers and \$500 for joint filers, expanding the refundability of the state earned income tax credit, and increasing the threshold

for estimated payments. The budget assumes the expiration of the Major Business Facility Tax Credit, Major Research and Development Tax Credit, Research and Development Tax Credit and Landlord Tax Credit increasing revenue by \$20.2 million in FY 2026.

Other Tax Policy Actions. The amended budget also includes several additional tax policies that indirectly impact revenue assumptions. Under the operating budget, a 2024 tax rebate of \$200 for single filers and \$400 for joint filers is provided at \$977.8 million GF.

The budget extends the existing state standard deduction of \$8,500 for single filers and \$17,000 for joint filers, the refundable earned income tax credit (EITC) up to 15.0 percent of the federal credit and the elective pass-through entity tax (PTET) until December 31, 2026. Prior to this action, these tax policies would have expired on December 31, 2025, with the expiration of the federal 2017 Tax Cuts and Jobs Act (TCJA). TCJA's expiring individual provisions increase the state general fund. Congress is debating the extension of TCJA provisions and additional tax policy actions. To allow for the General Assembly to determine appropriate tax policy actions after Congressional action, the budget pauses rolling conformity provisions until January 1, 2027. The budget also establishes a timeline for the Department of Taxation to estimate federal tax amendments' impacts to revenue and sets out deadlines for the Governor to introduce a budget bill if amendments decrease revenue by \$100.0 million in the current fiscal year or succeeding fiscal year [Veto].

Tax Policy Actions Impacting General Fund			
(\$ in millions)			
	FY 2025	FY 2026	Biennium
Increase Estimated Payment Threshold	\$0.0	(\$10.4)	(\$10.4)
Standard Deduction \$250/\$500	-	(70.5)	(70.5)
Refundable EITC to 20 percent	-	(35.0)	(35.0)
Expiring Tax Credits	-	20.2	20.2
Assumes Utilization Education Improvement Scholarship Tax Credit	(4.0)	(4.0)	(8.0)
TAX Staffing for Error Resolution and Appeals	-	2.3	2.3
TAX Refund for Internet Service Providers Exemption	<u>0.0</u>	<u>2.0</u>	<u>2.0</u>
Total*	(\$4.0)	(\$95.4)	(\$99.4)
*May not sum due to rounding.			

Transfers. The amended budget includes a net \$119.5 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. The 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. The amendments transfer \$29.0 million in FY 2025 and \$31.0 million in FY 2026 from balances in the State Operations Racing Fund from the Pari-Mutuel Wagering License Tax, which are above the Virginia Racing Commission's carryforward balance.

The amended budget increases the transfer from the Revenue Reserve Fund by \$203.0 million. This action aligns 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 and increase transfers from the Revenue Reserve Fund to \$1.0 billion by the end of the 2024-26 biennium.

Appropriations. The amendments to the budget include \$4.7 billion in spending over the levels in Chapter 2 with \$3.7 billion in operating spending changes and \$1.0 billion in GF-cash capital outlay changes. The unappropriated balance would be \$47.0 million at the close of FY 2026, as enacted. The Governor exercised line item vetoes totaling \$853.5 million in spending amounts. Major general fund spending items include:

- \$1.0 billion to fund income tax rebate checks;
- \$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;
- \$222.9 million to raise the support cap in direct aid for education;
- \$175.0 million for I-81 corridor improvements;
- \$135.0 million for a \$1,000 teacher bonus;
- \$131.0 million to replace the revenue management system at the Department of Taxation;
- \$110.7 million to fund English Language Learner costs in K-12; and
- \$100.4 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:

Major Operating Budget Spending and Savings in Chapter 725, as Enacted (General Fund \$ in millions)		FY 2024-26 Biennium
Major Spending		
Income Tax Rebate Checks		\$977.8
DMAS: Medicaid Utilization and Inflation		632.2
Mandatory Revenue Reserve Fund Deposit		294.5
K-12: Increase Support Cap		222.9
I-81 Corridor Improvement Program		175.0
K-12: \$1,000 Teacher Bonus		134.4
TAX: Revenue Management System Replacement		131.0
K-12: English Language Learner Update		110.7
Children's Services Act Forecast		100.4
SCHEV: Virginia Military Survivors and Dependents Program Tuition Waiver Assistance		90.0
Bonus of 1.5% for State Employees and State-Supported Local Employers		83.1
Higher Education: Maintain Affordability (Institution Operating Support)		55.0
K-12: Special Education Add-On		52.8
Disaster Mitigation		50.0
Community Flood Preparedness Fund [Veto]*		50.0
DEQ: Richmond Combined Sewer Overflow		50.0
DMAS: Children's Health Insurance Program (CHIP) Utilization and Inflation		47.6
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
K-12: Update for Fall Enrollment		33.8
DCR: WQIF Deposit and Virginia Natural Resources Commitment Fund		26.3
K-12: Assessment System Contract Extension		25.8
Employee Child Care Assistance Pilot Program [Veto]*		25.0
VDH: Grants for Drinking Water Projects		25.0
DHCH: Rental Assistance Pilot Program [Veto]*		20.0
Virginia Business Ready Sites Program		20.0
VSU and NSU: HBCU Public and Private Collaboration		20.0
DEQ: Mandatory WQIF Deposit for Enhanced Nutrient Removal Certainty Program		17.4
SCHEV: Financial Assistance Program Adjustments		16.8
Higher Education: Maintain Affordability (Undergraduate Need-Based Financial Aid)		15.0
DHCD: First Time Homebuyer Grant Program [Veto]*		15.0
DHCD: Support for Local Housing Trust Funds and Projects [Veto]*		13.0

Major Operating Budget Spending and Savings in Chapter 725, as Enacted (General Fund \$ in millions)	
	FY 2024-26 Biennium
K-12: Math Initiative and Grant Program	12.0
State Agency Premium for Property Insurance	10.1
Higher Education Credit Care Rebates and Interest Earnings	10.0
DMAS: Increase Medicaid Nursing Home Rates	10.0
Other Spending Items	<u>34.2</u>
Total Spending	\$4,122.1
Major Savings	
SCC: Commonwealth Health Reinsurance Program	(\$72.0)
K-12: Lottery Proceeds	(63.3)
TREASURY: Debt Service Savings	(54.4)
Medicaid: Health Care Fund	(33.4)
Medicaid: Tribal Health Clinics Reimbursement	(30.4)
DSS: Child Welfare Forecast	(27.3)
K-12: Literary Fund Support for Teacher Retirement	(25.0)
K-12: Update for Lottery Proceeds	(24.0)
K-12: Update Lottery-Funded Programs	(22.2)
EDIP: Adjust Amazon HQ2 Advance Payments	(13.8)
Other Saving Items	<u>(29.9)</u>
Total Savings	(\$395.7)
Net Operating Spending	\$3,726.4
*The Governor vetoed these items after the Reconvened Session as part of the final actions on the budget.	

Vetoed. The Governor exercised 43 line-item vetoes, which had a cumulative GF impact of \$853.5 million. As enacted, Chapter 725 has an unappropriated balance of \$47.0 million GF. The vetoed appropriations would increase the balance to \$900.5 million GF. The Governor’s veto statement explained the action as a way to retain “a cushion in general fund revenues in order to mitigate any short-term risk to the financial forecast” from federal actions. Most of the line-item vetoes, totaling \$691.3 million GF, are in one-time capital appropriations, mainly the 2025 Higher Education Capital Pool. The Keeper of the Rolls determined three vetoes were unconstitutional and would not be printed, thereby reducing the unappropriated balance to \$883.6 million GF. Vetoed appropriations will be unallotted from an agency’s appropriation— unavailable for expenditure— and subsequently reverted

as balance adjustments in the introduced Caboose Budget Bill for the 2024-26 biennium.

Veto Actions in Chapter 725, as Enacted				
	FY 2025		FY 2026	
	GF	NGF	GF	NGF
Item 1 S.5. – Funding for the Joint Subcommittee to Study Elementary and Secondary Education Funding	\$1.0	\$0.0	\$0.0	\$0.0
Item 24 – Commission on Electric Utility Regulation	-	-	<0.1	-
Item 44.H. – Restore reversion of Transformation Office amounts	(1.0)	-	-	-
Item 75.J. – Prohibition on Contingency Fee-based Contracts (<i>Keeper of the Rolls ruled veto invalid.</i>)	-	-	-	-
Item 102.V. - First-Time Homebuyer Program	15.0	-	-	-
Item 102.S. – Rental Assistance Pilot Program	20.0	-	-	-
Item 102.T.– Low-Barrier Emergency Shelter	1.5	-	-	-
Item 102.W. – Local Housing Trust Funds	13.0	-	-	-
Item 103.BB. – Urban Public-Private Partnership Redevelopment Fund	2.5	-	-	-
Item 103.CC. – Occoquan Riverwalk	1.2	-	-	-
Item 103.EE. – City of Portsmouth Water Main	6.0	-	-	-
Item 109.F. – Clean Energy Innovation Bank – Resource action	(10.0)	-	-	-
Item 113.U. – Economic Development Marketing Campaign	1.5	-	-	-
Item 114.U – Tourism Marketing Campaign	1.3	-	-	-
Item 120 – Office of School Quality Staffing Requirement	-	-	-	5.0
Item 125.10.J – Employee Child Care Assistance Pilot Program	25.0	-	-	-
Item 234 – New College Institute Supplemental Funding	0.5	-	-	-
Item 288.OO.9.d – Outside Legal Counsel	-	-	-	-
Item 288 VVVV. – Nursing Facility Rate Increases (<i>Keeper of the Rolls ruled veto invalid.</i>)	-	-	10.0	11.7
Item 288.TTTT.2. – Expand Medicaid Coverage for Weight Loss Drugs (<i>Keeper of the Rolls ruled veto invalid.</i>)	-	-	6.9	39.8
Item 296. N – Increased Funding for Geriatric and Dementia Services	-	-	1.0	-
Item 314 N.– Expanded Brain Injury Community and Workforce Retention Services	-	-	1.4	-
Item 331.DD. – Funding for CASA Welcome Centers	4.0	-	-	-
Item 359.J.1-2 – Supplemental Funding for Environmental Literacy	-	-	0.5	-
Item 359.Y – Quantico Creek Flood Mitigation	1.0	-	-	-
Item 359.R – Supplemental Funding for the Community Flood Preparedness Fund	50.0	-	-	-
Item 359.Q – Biscuit Run Park in Albemarle County	1.3	-	-	-
Item 363.P – Supplemental Groundwater Research Funding	2.3	-	-	-
Item 394.F – School Resource Officer (SRO) Incentive Grants	-	-	<0.1	-
Item 394.N – Safer Communities and Community Violence Reduction Grants	0.4	-	5.5	-

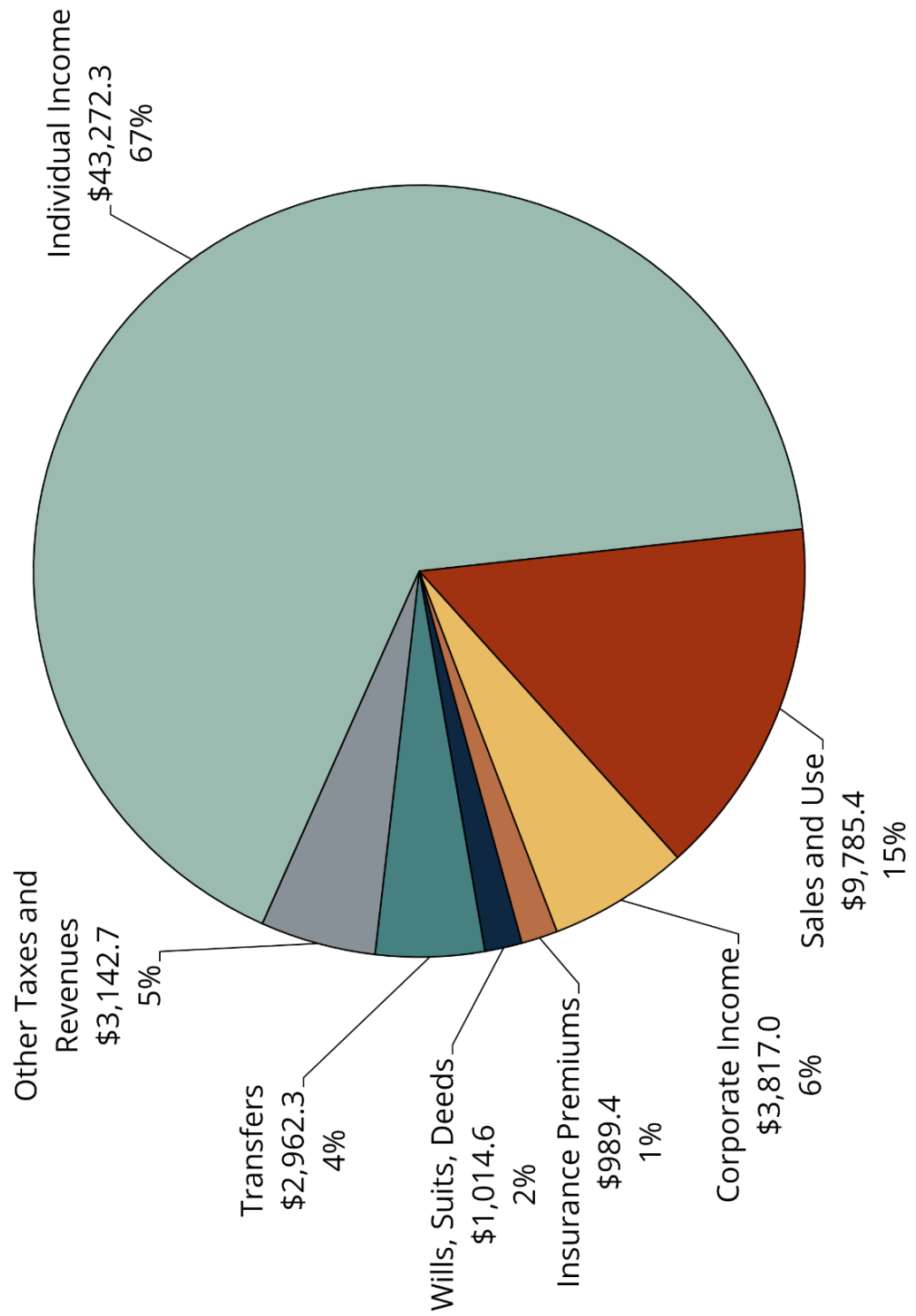
Veto Actions in Chapter 725, as Enacted

	FY 2025		FY 2026	
	GF	NGF	GF	NGF
Item 433.H – Hampton Roads Transit	0.2	-	-	-
Item 437.E – Interstate Location Study	0.3	-	-	-
Item 471.L – Clean Energy Innovation Bank	-	-	-	-
Item 473 – Tech Talent Investment Program	-	-	-	-
Item C-5 – George Mason University Priority Facility Improvements	20.3	-	-	-
Item C-29.30 –State Park Deferred Maintenance	20.0	-	-	-
Item C-32.10 – Nottoway Correctional Center HVAC	25.0	-	-	-
Item C-52.10 – 2025 Higher Education Capital Outlay Pool	626.0	169.3	-	-
Item C-53.50 – Bond Proceeds for Wastewater Projects	-	31.2	-	-
Item C-53.60 – Nottoway Water Infrastructure Project	-	-	-	-
Item C-53.80 – Bond Proceeds for Stormwater Local Assistance Fund	-	40.0	-	-
Item 4-1.02 – Withholding of Spending Authority	-	-	-	-
Item 4-14 – Enactment 8 Pari-mutuel Wagering Referendum	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Veto Actions*	\$828.2	\$240.5	\$25.3	\$56.5

*May not sum due to rounding.

2024-2026 General Fund Revenues = \$65.0 Billion

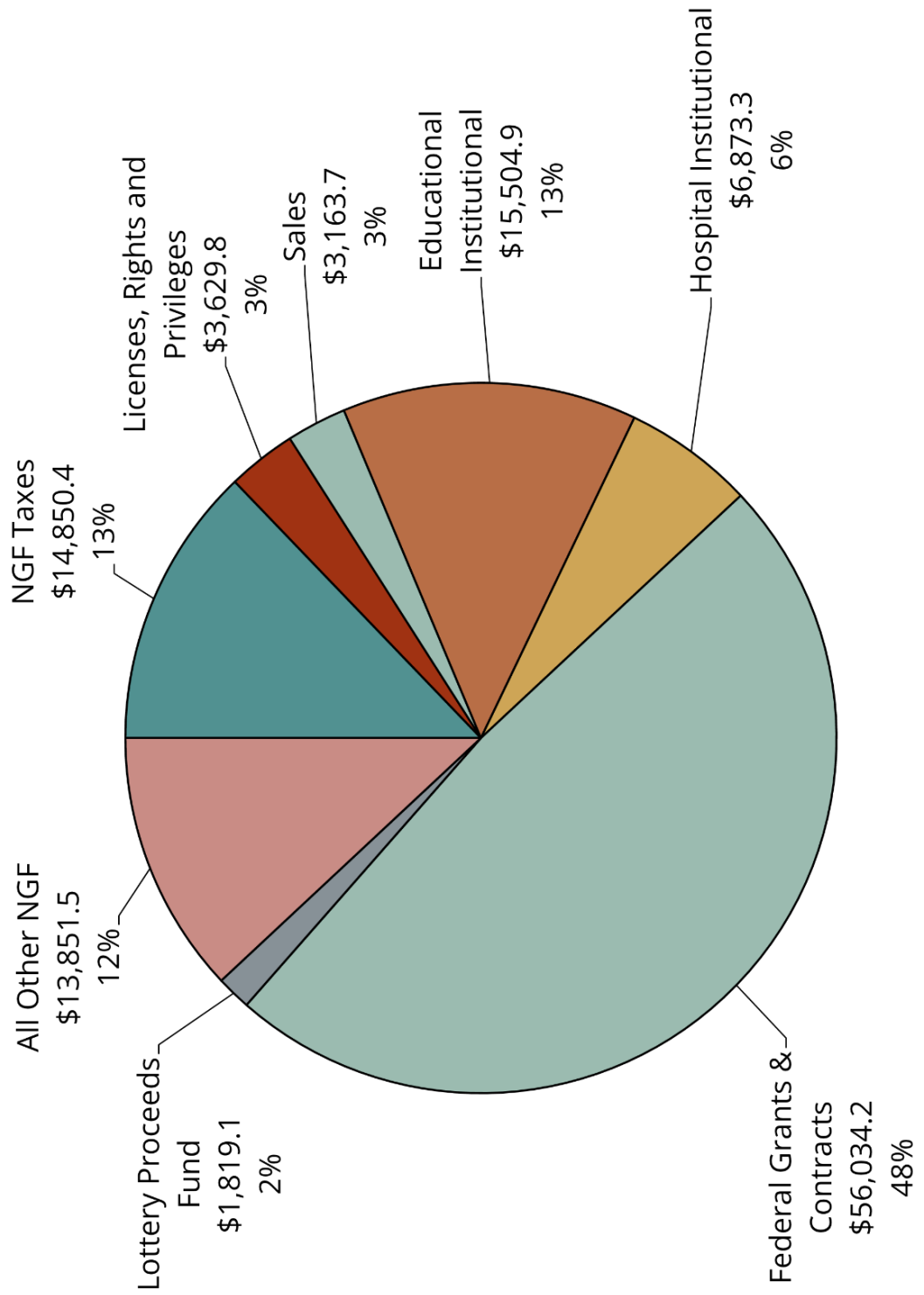
(Chapter 725, 2025 Session)
(\$ in millions)



2024-2026 Nongeneral Fund Revenues = \$115.7 Billion

(Chapter 725, 2025 Session)

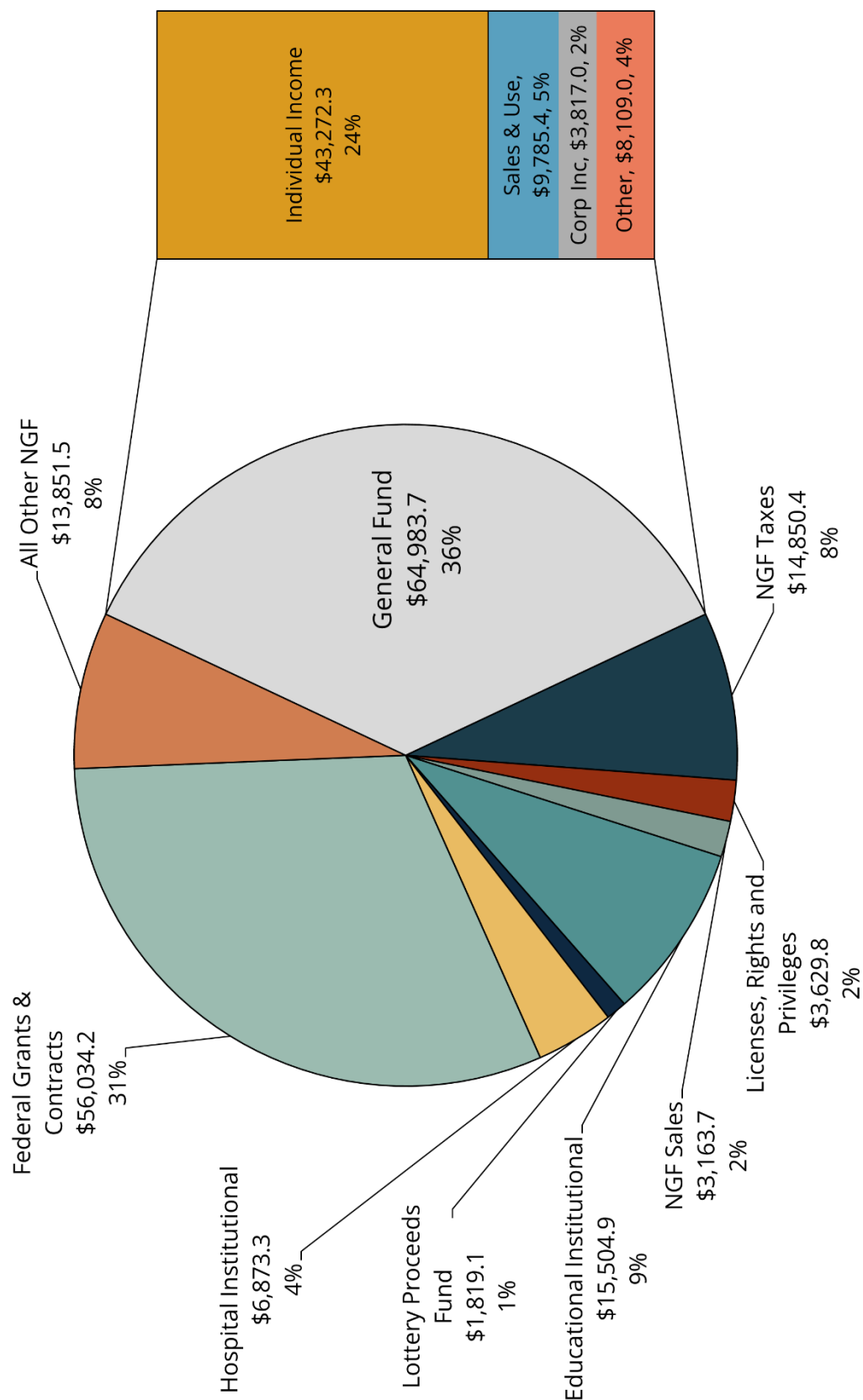
(\$ in millions)



2024-2026 Total Revenues = \$180.7 Billion

(Chapter 725, 2025 Session)

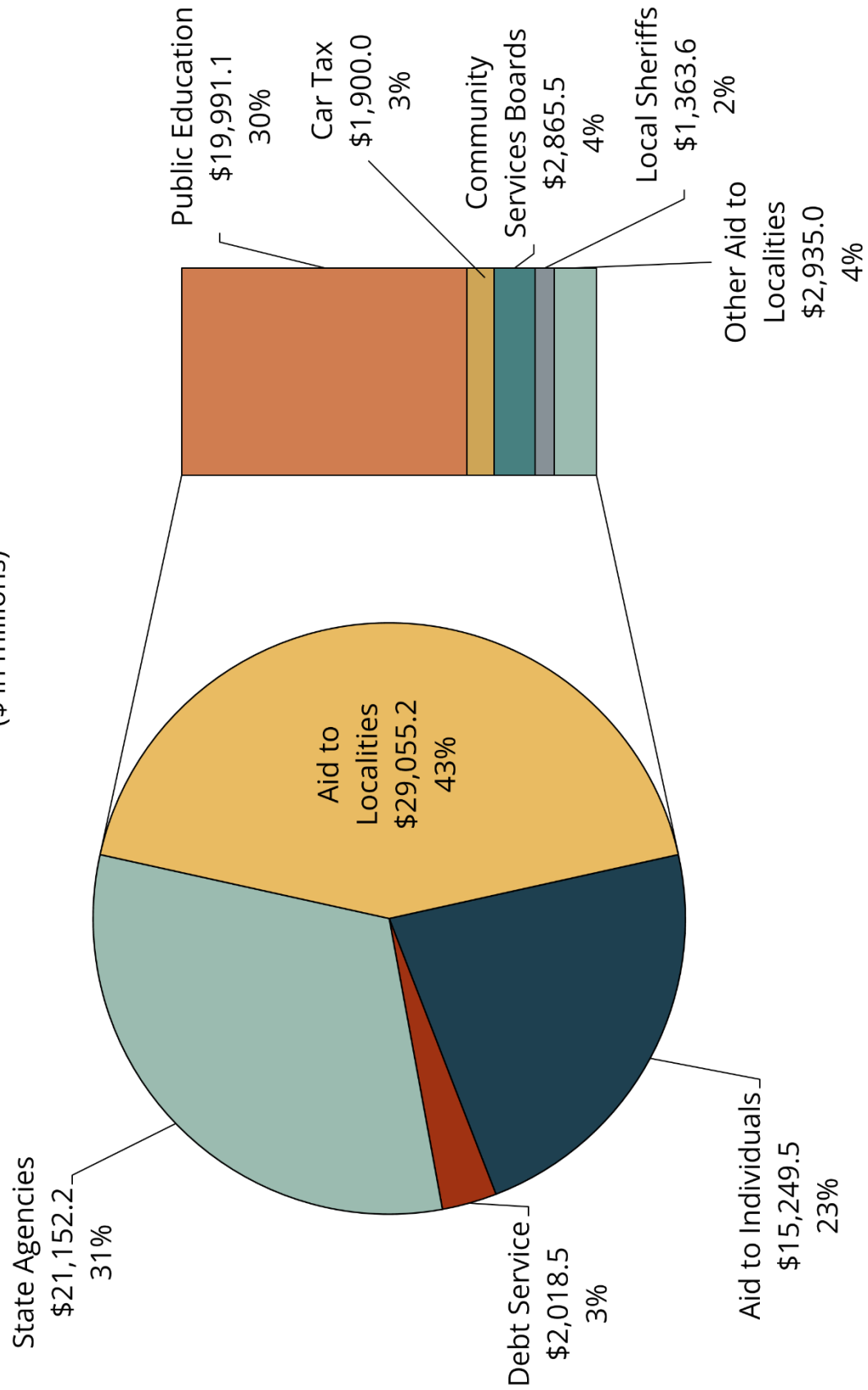
(\$ in millions)



2024-26 GF Operating Budget = \$67.5 Billion

(Chapter 725, as Enacted)

(\$ in millions)



Legislative Department. The adopted budget includes a net increase of \$2.5 million GF over the biennium. This includes \$1.0 million GF to support the Joint Subcommittee to Study Elementary and Secondary Education Funding [Veto], \$750,000 GF for a statue of former Governor L. Douglas Wilder, and \$350,000 GF to support the Higher Education Joint Subcommittee. An additional \$1.0 million GF is provided for the operational costs of various legislative commissions and for higher membership costs of intergovernmental organizations. One savings item of \$524,576 GF over the biennium is included related to the Capitol Square Preservation Council, which is no longer in operation.

Judicial Department. The adopted budget provides an increase of \$10.0 million GF over the biennium related to information technology systems and other initiatives. Technology systems funding includes \$3.6 million to meet criminal sealing statutory requirements, \$2.0 million for general technology cost increases, and \$1.5 million for an identity access management system upgrade. In addition, Chapter 725 provides \$1.0 million to increase the payment rate for guardians ad litem and nearly \$1.0 million for three judgeships recommended by the Committee on District Courts.

Executive Offices. The adopted budget does not include any appropriation changes.

Administration. The enacted budget provides an additional \$17.7 million GF over the biennium for agencies in Administration. The largest amendments are related to workload increases expected from the upcoming criminal record sealing process, including \$5.5 million GF for Commonwealth's Attorney offices, \$5.5 million GF for circuit court clerk offices, and \$137,175 GF for a position at the Compensation Board. Other actions include adding \$2.0 million GF the second 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 amendments provide \$874,195 GF the second year for a 6.0 percent increase in sheriff dispatchers and dispatch supervisors salaries at the Compensation Board and \$750,000 GF 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 Chapter 725 budget for Agriculture and Forestry includes increases of \$1.8 million GF in FY 2025 and \$3.5 million in FY 2026. Additional funding is provided 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's regulatory platform and upgrading the Integrated Forest Resources Information System for the Department of Forestry. The amendments include an additional \$250,000 GF the first year for the Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program, \$400,000 GF the second year to establish a Large Animal Veterinary Incentive Program, and \$300,000 GF the second year to support equine events in Shenandoah County.

Commerce and Trade. The Chapter 725 budget for Commerce and Trade includes increases totaling \$269.0 million GF in FY 2025 and \$67.5 million GF in FY 2026. Previously provided funding for a life sciences research initiative of \$69.1 million GF is shifted from the second year to the first year, and an additional \$14.0 million GF in FY 2025 is designated for specific projects. The budget increases support for business ready sites development by \$20.0 million GF the first year, bringing the total funding to \$60.0 million GF over the biennium. In addition, \$50.0 million GF is provided for disaster relief and flood mitigation for affected communities. The budget includes \$7.5 million GF in FY 2025 for development of a business ready site in Pulaski County, and the budget transfers \$6.0 million GF and responsibility for building relationships with businesses to encourage internship opportunities for Virginia undergraduate students to the Virginia Economic Development Partnership.

Public Education. Amendments to Public Education for the 2024-26 biennium total a net increase of \$545.9 million GF and \$312.3 million NGF compared to Chapter 2, 2024 Special Session I. These amounts reflect \$99.7 million GF in routine updates and \$446.1 million GF in policy changes. In addition to the amounts above, a net increase of \$728.1 million NGF in technical federal appropriation adjustments are recognized.

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.

Direct Aid policy changes include: 1) \$222.9 million GF the second year to raise the support cap ratio to the prevailing ratio of 27.89 positions per 1,000 students; 2) \$134.4 million GF the first year to fund the cost of a \$1,000 bonus per SOQ instructional and support position without requiring a local match; 3) \$52.8 million GF the second year to fund an add-on for special education students based on the level of services they receive; and 4) \$200.0 million NGF over the biennium to support the School Construction Assistance Program, using casino tax revenue projections and a one-time deposit from the Literary Fund.

Other amendments to public education include: 1) \$12.0 million GF across the biennium to support a mathematics improvement initiative at the Department of Education; 2) \$26.3 million GF across the biennium to support increased costs of extending the statewide assessment contract and support the process of procuring a new statewide assessment system; 3) \$5.0 million GF the first year to support enhancements to the Virginia Individualized Education Plan (IEP) System; and 4) \$5.1 million GF to support a statewide learning management system previously supported with federal funds. The budget also includes changes to early childhood education programs, including updating family copayment and parental work requirements and investing \$25.0 million GF the first year to support the Employee Child Care Assistance Pilot Program to incentivize employers to contribute to the child care costs of their employees. The Governor vetoed the Pilot Program after the Reconvened Session as part of the final actions on the budget.

Higher Education. The adopted budget provides a total net increase of \$253.4 million GF and \$434.2 NGF over the biennium. Major general fund investments include: 1) \$100.0 million over the biennium to institutions to support state-required tuition waivers, including the Virginia Military Survivors and Dependents Education Program (VMSDEP); 2) \$55.0 million the first year to maintain affordable access through operational support to institutions; 3) \$20.0 million the first year to continue support through public-private partnerships with Historically Black Colleges and Universities (HBCUs); 4) \$15.0 million the first year for undergraduate need-based aid; 5) \$15.0 million the first year for IT modernization at select institutions; 6) \$10.0 million the second year for the tuition assistance grant

program (TAG) to maintain awards at \$5,250 based on expected growth; and 7) \$10.3 million to expand healthcare programs for nurses and physicians at select institutions. Additional investments include \$1.8 million the first year to provide grants of up to \$2,000 to students attending TAG-eligible institutions that are designated as Hispanic-Serving and \$21.0 million for institution-specific initiatives. The Governor vetoed \$500,000 provided to New College Institute after the Reconvened Session as part of the final actions on the budget.

Of the nongeneral fund amounts, \$15.0 million the first year is provided to support the expected growth in the workforce credential grant program. 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.

Other Education. The adopted budget includes a net increase of \$7.6 million GF the first year and \$1.0 million GF the second year. Major investments include: \$5.2 million the first year to support a print collections inventory control project at the Library of Virginia, \$2.0 million the first year to provide additional grants to support the arts through the Virginia Commission for the Arts, \$250,000 the second year in operating support for the Science Museum of Virginia, and \$73,000 the second year in operating support to the Virginia Museum of Natural History.

Finance. The adopted budget includes a net increase for Finance of \$1.4 billion GF over the biennium. The largest increase is \$1.0 billion GF the first year to provide one-time income tax rebates to taxpayers in October 2025. The rebates are up to \$200 for individual filers and \$400 for people filing jointly.

Other significant 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. Additional 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. Funding of \$9.0 million GF is provided to the Department of Treasury to pay wrongful compensation claims to individuals through legislation approved by the General Assembly. The Department of Accounts includes funding increases for 10.0 positions to enhance agency operations. Under the Treasury

Board, an amendment reflects debt service savings of \$54.4 million GF over the biennium.

Health and Human Resources. The adopted budget for the Health and Human Resources secretariat includes a net increase of \$869.2 million GF and \$2.4 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 adopted budget also includes \$100.4 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 12.0 percent of general fund spending for Health and Human Resources. Spending includes \$25.0 million GF the first year for critical drinking water infrastructure grants, \$10.0 million GF to increase Medicaid rates for nursing homes [Veto], \$8.7 million GF the second year to fund additional support coordinators at Community Services Boards, \$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.

Labor. The amended budget for the Labor Secretariat increases support by \$52,370 GF the first year and \$929,305 the second year. The amendments include \$376,935 GF and 5.0 positions the second year to expand a pilot re-entry job placement program for the Department of Workforce Development and Advancement, \$500,000 GF in FY 2026 to launch the Regional Healthcare Talent Pipeline in Hampton Roads, and \$104,740 GF over the biennium to support increased rental costs for the Department of Labor and Industry's headquarters.

Natural and Historic Resources. The adopted budget includes amendments to Natural and Historic Resources that total \$142.7 million GF the first year and \$27.1 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 to the Water Quality Improvement Fund (WQIF). Of that amount, \$50.0 million GF supports the City of Richmond's Combined Sewer Overflow project, \$17.4 million GF transfers to the Virginia Natural Resources Commitment Fund for agricultural best management practices, \$17.4 million GF is designated for the Enhanced Nutrient Removal Certainty Program, and \$8.9 million GF is deposited to the WQIF reserve. In addition, \$50.0 million GF the first year is deposited to the Virginia Community Flood Preparedness Fund for grants and loans to support community-scale resilience projects [Veto]. Finally, an additional \$8.9 million is provided for historical and cultural commemoration grants to specific projects.

Public Safety. Amendments in the Public Safety and Homeland Security Secretariat represent a \$42.0 million GF net increase over the biennium. The amended budget establishes or increases several grant programs, including: an additional \$5.9 million GF for community violence reduction grants [Veto]; \$5.0 million GF to establish a grant program for fire protection equipment; \$3.5 million for victim services agencies; and \$2.0 million GF to reestablish reimbursement for civil commitment transportation time. Additional amendments include \$4.1 million GF to support inmate healthcare costs, \$2.5 million to support the Virginia State Police officer pay plan, and \$3.1 million for increased costs related to youth in state custody.

Transportation. The adopted budget for the Transportation Secretariat includes a net increase of \$168.7 million GF and \$610.1 million NGF over the biennium. The general fund increase includes the appropriation of excess 2024 general fund revenue of \$175.0 million GF to the Interstate 81 Corridor Improvement Program. The amended budget also provides \$312.1 million NGF the first year and \$298.0 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. The amended budget includes language that authorizes the Virginia Port Authority to issue additional bonds and amend its capital lease of the Virginia International Gateway Terminal to allow for the operations and investment control of the Terminal. Language also is included 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 enacted budget provides a net increase of \$2.9 million GF over the biennium for the Secretariat of Veterans and Defense Affairs. The most significant item is an additional \$1.7 million GF to subsidize operations at the two new veterans care centers, bringing the total to \$20.8 million GF over the biennium. Other GF items are focused on additional personnel and information technology funding, including \$1.2 million for the Department of Veterans Services and \$43,200 for the Veterans Services Foundation.

Central Appropriations. The adopted budget for Central Appropriations includes net funding of \$158.2 million GF over the biennium. The largest increase of \$83.1 million GF is for a 1.5 percent bonus for state employees and state-supported local employees to be provided in June 2025. Another major spending item is 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 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 adopted budget for Independent Agencies includes a decrease of \$72.0 million GF and an increase of \$366.8 million NGF over the biennium. The GF reduction is due to lower than projected state funding needed to cover the state's share of the Commonwealth Health Reinsurance Program at the State Corporation Commission (SCC). Funding of \$127.8 million NGF is provided 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 of the SCC. For the Virginia Lottery, \$200.0 million NGF is proposed the second year to reflect the operational costs for the sale of lottery tickets.

Capital Outlay. The adopted budget includes additional capital outlay spending of \$1.9 billion from all funds, including \$1,043.2 million in GF cash, \$71.2 million in tax-supported debt, \$596.8 million in NGF cash, \$24.5 million in 9(d) NGF revenue bonds, and \$206.1 million in 9(c) NGF revenue bonds. The Governor's vetoes primarily were to capital outlay appropriations and reduce funding by

\$691.3 million GF, \$71.2 million tax-supported debt, \$144.8 million NGF, and \$24.5 million in 9(d) revenue bonds.

Major general funded amendments include: 1) \$626.0 million GF for 10 higher education projects in a pool [Veto]; 2) \$106.6 million GF for eight state agency projects in a pool; 3) \$62.4 million GF to supplement previously authorized capital projects; 4) \$35.0 million GF to renovate state space and relocation expenses 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; 5) \$32.3 million GF to renovate and upgrade Department of Behavioral Health and Developmental Services' facilities; 6) \$14.5 million GF to continue planning and demolition for the new Commonwealth Courts Building; and 7) \$14.5 million GF for fixtures, furnishings, and equipment for projects nearing completion.

Resources

The general fund resources assumed in Chapter 725, as enacted, result in a \$4.8 billion increase in general fund resources over the biennium compared to Chapter 2, 2024 Special Session I. The official revenue estimate accounts for almost two-thirds, or \$3.2 billion, of the additional resources, and unrestricted balances comprise 31.0 percent, or \$1.5 billion. As enacted, Chapter 725 includes \$3.7 billion general fund spending above the level in Chapter 2 and leaves a \$47.0 million unappropriated balance at the end of the biennium.

The Governor's vetoes reduce GF resources by \$11.0 million and appropriations by \$864.5 million. The Keeper of the Rolls determined that three vetoes were unconstitutional and would not be printed, reducing the net impact of the vetoes to \$836.6 million. Vetoed appropriations will be unallotted when the appropriations are distributed to agencies and therefore unavailable for expenditure. The unallotments will subsequently be reverted as balance adjustments in the introduced budget bill for amendments to the 2024-26 biennial budget (Caboose Budget Bill) and provide \$883.6 million in unappropriated balances from Chapter 725 for appropriation.

Changes to General Fund Resources Available for Appropriation (Biennial \$ in millions)			
	Chapter 2	Chapter 725	Change
Beginning Balance	\$2,989.6	\$12,757.4	\$9,767.8
Additions to Balances	<u>46.5</u>	<u>(8,224.0)</u>	<u>(8,270.5)</u>
Net Balance Adjustments	\$3,036.1	\$4,533.4	\$1,497.3
Chapter 2 Revenue Estimate	\$58,839.3	\$58,839.3	\$0.0
GACRE Forecast Adjustments	-	3,017.1	3,017.1
Post-GACRE Adjustments	-	264.5	264.5
Tax Policy Adjustments	<u>0.0</u>	<u>(99.4)</u>	<u>(99.4)</u>
Total GF Official Revenue Estimate	\$58,839.3	\$62,021.5	\$3,182.2
Transfers	\$2,842.8	\$2,962.3	\$119.5

Changes to General Fund Resources Available for Appropriation (Biennial \$ in millions)			
	Chapter 2	Chapter 725	Change
GF Resources Available for Appropriation	\$64,718.2	\$69,517.3	\$4,799.0
Unappropriated Balance Chapter 2			\$17.6
HB 1600 Change in Available Resources			4,799.0
HB 1600 Operating Spending Changes			(3,726.4)
HB 1600 Capital GF Spending Changes			<u>(1,043.2)</u>
Chapter 725 Unappropriated Balance			\$47.0
Veto Resource Actions			(\$11.0)
Veto Spending Actions			<u>864.5</u>
Adjusted Unappropriated Balance			\$900.5

Balance Adjustments

The \$1.5 billion net balance adjustment in Chapter 725 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 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. HB 1600 includes amendments to appropriate these funds to the I-81 Corridor Improvement Program and Virginia Military Survivors & Dependents Education Program; however, the General Assembly decided to maintain \$400.0 million in tax-supported debt for the Water Quality Improvement Fund (WQIF) Wastewater Improvements Matching Grants rather than supplanting with the reserved general fund surplus. Additionally, appropriations are made for the statutory deposits to the Revenue Reserve Fund (\$294.5 million) and WQIF deposits (\$93.7 million), which are committed amounts on the FY 2024 year-end balance sheet.

FY 2024 Surplus Reservations (GF \$ in millions)		
	Amount	Reservation
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
Total FY 2024 Surplus Reservations	\$665.0	

Additionally, a \$30.4 million adjustment is assumed for authorized sum sufficient amounts for natural disaster relief for Hurricanes Helene and Milton, a \$994,000 reversion from Central Appropriations balances, a \$20.0 million reversion the second year from the Commonwealth Health Reinsurance Plan within the State Corporation Commission, a \$10.0 million reversion of Department of Energy Funds [Veto], \$5.0 million reverted from excess unallotted Child Care Subsidy amounts; a \$2.3 million reversion from legislative agency balances, \$1.0 million from Transformation Office funding [Veto], and \$1.0 million from reverted Auxiliary Grant balances.

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 in Chapter 2, 2024 Special Session I. Revenue could decline up to 8.7 percent and still meet the forecast. This is primarily due to the official forecast 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 Bill 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 official 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 of \$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. The General Assembly adjustments increase sports betting revenue by \$2.2 million in FY 2025 and \$3.5 million in FY 2026. In addition to economic adjustments to the forecast, HB 1600 includes net reductions of \$4.0 million in FY 2025 and \$95.4 million in FY 2026 associated with assumed tax policy adjustments. Prior to the tax policy actions, the official 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 official forecast assumes a 4.1 percent increase in FY 2025 revenue and 2.3 percent increase in FY 2026 revenue.

The economic growth in building the base forecast for HB 1600 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.

Economic Variables Assumed in December Forecast				
% Growth over Prior Year				
	FY 2025		FY 2026	
	VA	US	VA	US
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

General Fund Revenue Estimates			
(\$ in millions)			
	FY 2025	FY 2026	Biennium
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	149.6	114.9	264.5
Assumed Tax Policy Actions	<u>(4.0)</u>	<u>(95.4)</u>	<u>(99.4)</u>
Total	\$30,661.0	\$31,360.5	\$62,021.5

2024-26 Biennium Official General Fund Forecast by Source						
(\$ in millions)						
	FY 2025			FY 2026		
	Forecast	Change	% Growth	Forecast	Change	% Growth
Withholding	\$17,580.8	\$951.5	5.2%	\$17,940.3	\$165.4	2.0%
Nonwithholding	6,778.9	1,157.8	3.4	6,373.4	683.6	(6.1)
Refunds	<u>(2,811.6)</u>	<u>204.2</u>	<u>(5.4)</u>	<u>(2,599.6)</u>	<u>249.2</u>	<u>(7.5)</u>
Net Individual	\$21,558.1	\$2,313.4	6.1	\$21,741.2	\$1,098.3	0.7
Corporate	\$1,791.5	(\$274.0)	(\$6.1)	\$2,025.5	(\$169.3)	\$13.1
Sales	4,797.9	105.6	1.9	4,987.4	98.0	3.9
Insurance	485.7	46.4	3.8	503.7	51.3	3.7
Wills (Recordation)	457.6	0.9	12.6	557.0	99.8	21.7
All Other	<u>1,570.1</u>	<u>(95.2)</u>	<u>(4.8)</u>	<u>1,572.0</u>	<u>(47.4)</u>	<u>0.2</u>
Total GF Revenues	\$30,661.0	\$2,097.3	4.1	\$31,360.5	\$1,084.6	2.3

Policy Changes Impacting the Revenue Forecast

Chapter 725 includes revenue reduction and generation associated with tax policy changes and assumptions. The general fund forecast assumes a \$99.4 million net revenue decrease from policy-related adjustments and include:

- Increasing the standard deduction to \$8,750 for single filers and \$17,500 for joint filers, a respective increase of \$250 for single filers and \$500 for joint filers for taxable years 2025 and 2026. This reduces revenue by \$70.5 million GF in FY 2026. The deduction would reduce revenue by \$52.1 million in FY 2027 and \$54.8 million in FY 2028 if continued.
- Increasing the refundability of the state earned income tax credit from 15.0 percent to 20.0 percent of the federal credit for taxable years 2025 and 2026. This reduces revenue by \$35.0 million GF in FY 2026. The increased refundability would reduce revenue by \$34.8 million in FY 2027 and \$34.7 million in FY 2028 if continued.
- Increasing the threshold for estimated tax payments from \$150 to \$1,000 beginning in taxable year 2026. The budget assumes this change reduces revenue by \$10.4 million in FY 2026.
- Assuming a \$20.2 million increase in FY 2026 from certain tax credits expiring. These credits include the Major Business Facility Job Tax Credit (\$2.4 million), Major Research and Development Tax Credit (\$14.6 million), Research and Development Expenses Tax Credit (\$2.9 million), and the tax credit for Participating Landlords (\$250,000).
- 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 requiring 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 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.

Tax Policy Actions Impacting General Fund

(\$ in millions)

	FY 2025	FY 2026	Biennium
Increase Estimated Payment Threshold	\$0.0	(\$10.4)	(\$10.4)
Standard Deduction \$250/\$500	-	(70.5)	(70.5)
Refundable EITC to 20 percent	-	(35.0)	(35.0)
Expiring Tax Credits	-	20.2	20.2
Assumes Utilization Education Improvement Scholarship Credit	(4.0)	(4.0)	(8.0)
TAX Staffing for Error Resolution and Appeals	-	2.3	2.3
TAX Refund Procedures for Internet Service Providers Exemption	<u>0.0</u>	<u>2.0</u>	<u>2.0</u>
Total*	(\$4.0)	(\$95.4)	(\$99.4)

*May not sum due to rounding.

Other Tax Policy Actions

Tax Rebate

Chapter 725 also includes a tax rebate of \$200 for single filers and \$400 for joint filers up to their tax liability. The rebates are to be issued by October 15th for all filers filing a return before July 1, 2025. The budget appropriates \$977.8 million for the rebate at the Department of Taxation.

Standard Deduction, Earned-Income Tax Credit, and Pass-Through Entity Tax

Chapter 725 also extends the existing state standard deduction of \$8,500 for single filers and \$17,000 for joint filers, the refundable earned income tax credit (EITC) up to 15 percent of the federal credit and the elective pass-through entity tax (PTET) until December 31, 2026. Prior to this action, these tax policies would have expired on December 31, 2025, with the expiration of the federal 2017 Tax Cuts and Jobs Act (TCJA).

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 state EITC 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. PTET is entirely elective, allowing owners of a pass-through entity to pay their state income tax at the entity level rather than the individual level, thus reducing their federal tax liability as the taxpayer can then deduct the entire state tax. PTET is essentially a workaround to the \$10,000 cap on state and local tax (SALT) deductions at the federal level.

At the adoption of Chapter 725, Congress did not act to extend the expiring TCJA provisions, enact additional federal amendments impacting state general fund revenue, or alter the federal SALT cap. Therefore, Chapter 725 extends the enhanced standard deduction, refundable state EITC, and PTET until December 31, 2026, to wait for federal action.

Conformity to Federal Income Tax Law

Chapter 725 alters Virginia's conformity process to federal income tax amendments and directs how the revenue estimates for any amendment impacting the general fund is provided to the General Assembly. Virginia generally conforms to federal tax definitions of income and uses federal adjusted gross income or taxable income as the starting point to calculate state income tax liability.

First, the adopted budget amends Chapters 763 and 791, 2023 Session, to pause rolling conformity and de-conform from any federal tax amendment enacted after January 1, 2025, but before January 1, 2027, that increases or decreases general fund revenue in either the fiscal year enacted or any of the succeeding four fiscal years. Virginia will conform to an amendment if the provision is an extension of a federal provision's expiration date that the General Assembly has already conformed to the provision. Prior to these changes, Virginia conformed to federal amendments when an amendment's projected impact was less than a \$15.0 million positive or negative impact (amendment trigger) until the cumulative impact of those amendments conformed to between legislative sessions reached a total of \$75.0 million (cumulative revenue trigger). Rolling conformity was implemented in 2023, but Virginia never implemented the process as no federal amendments adopted impacted Virginia taxable income.

Secondly, Part 4 language directs the Department of Taxation to estimate revenue impacts from federal income tax amendments enacted impacting the

general fund and communicate that impacts within 30 business days to the Governor and General Assembly [Veto]. After receiving the estimates, the Governor is to submit an introduced budget bill within 20 business days if the cumulative impact of federal amendments, except any amendment that is a federal tax extender, decreases general fund revenue by more than \$100.0 million in the fiscal year in which the amendments were enacted or the succeeding fiscal year. Between November 1st and the date that the Governor submits a budget, the Governor is required to include the impacts in the introduced budget submitted in December. Between the introduced budget bill date and the adjournment of a regular session, the Governor is not required to submit a budget within 20 business days. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

Changes in Transfers

Net transfer adjustments total \$119.5 million 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. Assumes an estimated transfer to the general fund of \$29.0 million in FY 2025 and \$31.0 million in FY 2026 to transfer balances from the State Racing Operations Fund more than the required distributions in Code from the Pari-Mutuel Wagering License Tax and the authorized operating carryforward for the Virginia Racing Commission. Chapter 725 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 Chapter 725 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 HB 1600 eliminates.

Transfer Adjustments to the General Fund (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 Transfer to DWR Game Protection Fund	(0.8)
OAG Revolving Trust Fund	5.4
State Racing Operations Fund for Pari-Mutuel Wagering License Tax	60.0
Revert Talent Accelerator Fund for Blue Star	2.0
Sales Tax Compliance	<u>(0.1)</u>
Total Transfer Adjustments	\$119.5

Other Actions Codified or Extended in the Budget

Chapter 725 includes additional enactments for certain legislative actions in Part 3 and Part 4.

- **Sales Tax Exemptions.** Includes language in Part 3 amendments to extend the sales and use tax exemptions for certain natural gas and oil drilling equipment and gold, silver or platinum bullion or coins from July 1, 2025, to July 1, 2026.
- **Recycling Machinery Tax Credit.** Language in Part 3 extends the expiration of the tax credit for machinery and equipment used for advanced recycling and processing recyclable materials from January 1, 2025, to January 1, 2027.
- **Distribution of Historical Horse Racing Revenue.** Enactment 7 codifies changes to the distribution of the retainage for pari-mutuel pools from historical horse racing (HHR) wagering.

- First, allows the percentage for localities to no longer be split half-between the localities with satellite facilities and the locality in which the racetrack is located beginning July 1, 2026. Currently, satellite locations split their local revenue allocations with New Kent County, the host locality of the track.
- Second, modifies the percentage retained on pari-mutuel pools from HHR wagering to 1.3 percent beginning July 1, 2026. Currently, there is a bifurcated percentage retained on pari-mutuel pools from HHR wagering of 1.25 percent on the first 3,000 machines and 1.6 percent on the next 2,000 machines. This increases the local distribution from 0.5 to 0.56 percent.
- Third, applies a significant infrastructure facility limited license tax of \$110,000 upon any significant infrastructure limited licensee for each race day beginning July 1, 2026. This applies to the racetrack in New Kent County, which helps offset the impact from no longer splitting the local revenue of satellite facilities.
- **Historical Horse Racing Referendum [Veto].** Enactment 8 requires that the Virginia Racing Commission not authorize a licensee to construct, establish, operate, or own a satellite facility until a referendum approving the question is held on or after July 1, 2025, if such locality has not passed a referendum allowing pari-mutuel wagering at satellite facilities on HHR on or after July 1, 2018, and no pari-mutuel wagering at satellite facilities on HHR was authorized by the Commission on or before January 1, 2025. The enactment excludes the cities of Emporia, Hampton, and Richmond, towns of Collinsville, Dumfries, and Vinton, and the county of New Kent. It would have applied to Henrico County as Churchill Downs plans to offer pari-mutuel wagering on HHR machines. In 1992, Henrico County voters approved a referendum to permit pari-mutuel wagering at satellite facilities when a live horse racing track was being considered in the County. This referendum is the basis for the Churchill Downs' facility in Henrico with HHR machines. The Governor's veto was sustained during the Reconvened Session.
- **Housing Opportunity Tax Credit.** Enactment 9 extends the Housing Opportunity Tax Credit from taxable year 2025 to 2030 and increases the credit's annual cap from \$60.0 million to \$64.0 million per calendar year and increases the multi-year

cap on the program from \$255.0 million to \$575.0 million. The revenue impact of this enactment is delayed until FY 2028, due to the timing of when calendar year 2026 credits are claimed on income tax returns. The impact will reduce general fund revenue by \$6.4 million in FY 2028, \$12.8 million in FY 2029, \$19.2 million in FY 2030, \$25.6 million in FY 2031, and \$32.0 million each year thereafter until FY 2038.

- **PTSD Coverage under Workers' Compensation.** Enactment 10 codifies an increase from 52 weeks to 104 weeks the maximum duration after the date of diagnosis that workers' compensation benefits are payable for anxiety disorder, depressive disorder, and post-traumatic stress disorder incurred by law-enforcement officers and firefighters acting in the line of duty.
- **VCU Health Guaranteed Obligations.** Enactment 13 establishes that, notwithstanding any other law or provision, VCU Health Authority is not required to remit any payment to the City of Richmond pursuant to (i) the Delegation and Assumption Agreement for Guaranteed Obligations (the Delegation) entered into June 15, 2021, by the Authority in the City of Richmond or (ii) any other contract, agreement or instrument related to obligations of the Authority pursuant to the Delegation, unless and until the General Assembly provides explicit authorization therefor.

The Delegation refers to an agreement with the City in which VCU Health would pay \$55.9 million over 25 years to the city as a payment in lieu of taxes (PILOT for VCU Health and a private developer to build an office building on the site of the Public Safety Building owned by the City of Richmond). VCU Health terminated and defeased the project in February 2023 when the project could not be constructed for the agreed upon budget due to site conditions and construction cost increases after COVID-19. The Delegation agreement for the PILOT was not tied to the construction or the value of any rescope project.

Legislative

Amendments to Legislative (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$150.5	\$5.3	\$130.3	\$5.3
Adopted Increases	2.3	0.3	0.8	-
Adopted Decreases	<u>(0.3)</u>	<u>0.0</u>	<u>0.3</u>	<u>0.0</u>
\$ Net Change	\$2.0	\$0.3	\$0.5	\$0.0
Chapter 725, as Enacted	\$152.5	\$5.6	\$130.8	\$5.3

– General Assembly

- **Joint Subcommittee to Study Elementary and Secondary Education [Veto].** Provides \$1.0 million GF the first year to support the Joint Subcommittee to Study Elementary and Secondary Funding's ongoing work to review Virginia's K-12 funding formula. The funding is from a reversion of Transformation Office balances the Governor announced would be designated for a K-12 funding review. The Governor's veto was sustained during the Reconvened Session.
- **Higher Education Joint Subcommittee Funding.** Includes \$350,000 GF the first year to support the work of the Joint Subcommittee on Higher Education Funding Policies, which may include contracting for services.
- **Commission Studying History of Uprooting of Black Communities by Public Institutions of Higher Education.** Adds \$200,000 GF the first year to the Commission Studying History of Uprooting of Black Communities by Public Institutions of Higher Education which is evaluating (i) whether any public institution of higher education in the Commonwealth has purchased, expropriated, or otherwise taken possession of property owned by any individual within the boundaries of a community in which a majority of the residents are

black in order to establish or expand the institution's campus and (ii) whether and what form of compensation or relief would be appropriate for any such individual or any of his lineal descendants.

- **Data Center Sales and Use Tax Exemption Study.** Directs the Joint Subcommittee on Tax Policy to review the data center sales and use tax exemption during the 2025 interim. The study includes: (i) reviewing Virginia's status as a leader for data center development and tax preferences; (ii) competitive advantages provided by existing and future exemptions; (iii) approaches taken in other states to provide stability and continuity for the impacted firms; (iv) investigating methods to attract data center investment to non-urbanized areas of the Commonwealth; (v) reviewing the recommendations and options in the 2024 JLARC study on Data Centers in Virginia; and (vi) reviewing the estimated direct and indirect economic benefits of data center investment in the Commonwealth.
- **Modify VA529 Surplus Funds Joint Subcommittee.** Updates language to establish a Joint Subcommittee of members of the General Assembly to review options for the use of the Virginia 529 Defined Benefit Trust Fund based on the 2022 report from the Joint Legislative and Audit Review Commission (JLARC) on the actuarial surplus. Prior language established a workgroup of staff, which is replaced by this new Joint Subcommittee.
- **Establish a Legislative Information Technology Council.** Establishes a council to oversee the operations and implementation of technology for the legislative branch. Its purpose is to review, discuss, and make recommendations regarding services provided by the Division of Legislative Automated Systems (DLAS), such as: (i) ongoing operational support; (ii) system development, implementation, refresh, and maintenance; (iii) information technology security; (iv) incident response; and (v) any other services provided to legislative agencies. The Council may conduct an annual survey to evaluate the customer service that DLAS provides to legislative agencies.
- **Legislator Compensation Commission.** Authorizes up to \$5,400 GF the second year for the anticipated member expenses associated with SB 1219, which establishes the Legislator Compensation Commission. Sufficient agency balances

in the General Assembly exist to support the costs of the Commission, so no additional funds are needed.

- **Travel Considerations for Members of the General Assembly.** Includes language providing that members of the General Assembly may utilize state transportation options as needed to attend regular or special sessions of the General Assembly. In such cases, members are not eligible to request travel reimbursement.

– **Division of Legislative Services**

- **Support for the Commission on Women's Health.** Provides \$120,000 GF the second year and 1.0 position to provide staff support for the Commission on Women's Health.
- **Chesapeake Bay Restoration Fund Advisory Committee.** Appropriates \$275,325 NGF from dedicated special revenue generated from sales of the "Friends of the Chesapeake Bay" license plate to fund the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.
- **Increase Position Level to Reflect Updated Responsibilities.** Includes 3.0 positions the second year to reflect current workloads and responsibilities of the agency.
- **Increase Compensation for Director.** Authorizes an increase in the Director of the Division of Legislative Services' salary of 5.0 percent in addition to the statewide increase of 3.0 percent that is already authorized under current law to take effect on July 1, 2025.

– **Capitol Square Preservation Council**

- **Sunset the Capitol Square Preservation Council.** Removes \$262,288 GF each year and 2.0 positions to sunset this legislative council.

– **Commissioners for the Promotion of Uniformity of Legislation in the United States**

- **Uniform Law Commission Operating Increase.** Provides \$17,600 GF the second year from the general fund to reflect operational cost increases.

– **Virginia Freedom of Information Advisory Council**

- **Increase Staffing.** Provides \$265,990 GF the second year and 2.0 positions to augment operational support and staffing for the Freedom of Information Advisory Council to address increased workloads.

– **Virginia Housing Commission**

- **Increase Operational Support.** Provides \$75,000 GF the second year to the Commission to reflect higher operational costs.

– **Virginia-Israel Advisory Board**

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

– **Joint Commission on Health Care**

- **Reflect Transfer of Funding and Position to Support New Function.** Reflects the transfer of \$175,000 GF the second year and 1.0 position to reflect the transfer of a health policy analyst position from the Joint Legislative Audit and Review Commission (JLARC). A companion amendment removes an equal amount of funding and a position from JLARC, resulting in an overall net-zero cost impact.

– **Virginia State Crime Commission**

- **Increase Operational Support.** Provides \$75,000 GF the second year to support staffing costs for the Virginia State Crime Commission.

– **Commission on Electric Utility Regulation**

- **Increase Operational Support [Veto].** Provides \$75,000 GF the second year to the Commission to reflect higher operational costs. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

– **Joint Legislative Audit and Review Commission**

- **Transfer Funding and Position to the Joint Commission on Health Care.** Transfers \$175,000 GF the second year and 1.0 position to reflect the transfer of a health policy analyst position from the Joint Legislative Audit and Review

Commission (JLARC). A companion amendment reflects an equal amount of funding and a position at the Joint Commission on Health Care, resulting in an overall net-zero cost impact.

Virginia Commission on Intergovernmental Cooperation

- **Intergovernmental Organization Dues.** Provides \$80,000 GF the second year to fund higher dues for intergovernmental organizations.
- **Legislative Department Reversion Clearing Account**
- **Reversion of Legislative Balances.** Authorizes the reversion in the first year of \$2.3 million GF in balances from legislative branch agencies. Specifically, the reversions include \$1.0 million GF from the Joint Legislative Audit and Review Commission, \$764,114 GF from the Capitol Square Preservation Council, and \$500,000 from the Division of Legislative Services. In addition, language is updated to provide that up to \$250,000 GF, rather than \$200,000, is the estimated cost for the Capitol Guides program.

Judicial

Amendments to Judicial (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$653.1	\$41.2	\$660.0	\$41.2
Adopted Increases	1.4	1.7	8.7	1.7
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>(0.1)</u>	<u>0.0</u>
\$ Net Change	\$1.4	\$1.7	\$8.6	\$1.7
Chapter 725, as Enacted	\$654.5	\$42.9	\$668.6	\$42.9

– Supreme Court

- **Criminal Record Sealing Legislation Implementation.** Provides \$573,414 GF the first year and \$3.0 million GF and 3.0 positions the second year to implement criminal record sealing processes required by law. The first-year amount is provided to support changes to sealing processes necessitated by HB 2724 and SB 1466 of the 2025 General Assembly Session. The second-year amount is needed to implement the initial criminal record sealing legislation enacted in 2021.
 - Chapter 552, 2021 Acts of Assembly, Special Session I, provided \$1.5 million GF in FY 2022 in initial, one-time funding to begin implementation.
- **Technology Expenses.** Includes \$2.0 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.
- **Identity Access Management (IAM) Upgrade.** Provides \$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.
- **HB 1665 – Itemized Statements.** Includes \$83,416 GF the first year for systems changes to support implementation of HB 1665, which requires the clerk of court to provide itemized statements of amounts owed to convicted defendants.

– Circuit Courts

- **Increase Guardian Ad Litem Payment Rate.** Provides \$1.0 million GF the second year to the Criminal Fund to support an increase in the rate paid to guardians ad litem from \$75 to \$78.75 per hour for time spent in court and from \$55 to \$57.50 per hour for time spent out of court. According to the Office of the Executive Secretary, current Criminal Fund balances are sufficient to cover a rate increase in FY 2026, but the ongoing annual appropriation would be needed to accommodate the rate change beginning in FY 2027.
- **HB 2322 – Indigent Defendant Co-Counsel.** Includes \$450,000 GF the second year to the Criminal Fund for the estimated fiscal impact of HB 2322. The legislation provides court-appointed co-counsel for indigent defendants charged

with felonies that are punishable by a mandatory minimum life sentence, in addition to Class 1 felony charges provided under current law.

- In FY 2024, there were 164 charging events that required a life sentence, excluding violations of § 18.2-31, Code of Virginia.
- **HB 2723 and SB 1466 - Reversion of Sealing Fee Fund Balances.** Removes \$100,000 GF the second year designated for the Sealing Fee Fund to align with HB 2723 and SB 1466, which eliminate the Fund.
- **Authority to Increase Criminal Fund Payment Rates.** Provides that the Office of the Executive Secretary may approve a rate increase that would impact Criminal Fund expenditures if sufficient funding is available in the Criminal Fund, as determined by the Criminal Fund forecasting process conducted in consultation with staff from the Department of Planning and Budget, the House Appropriations Committee, and the Senate Finance and Appropriations Committee, or if sufficient funding is provided by the General Assembly to accommodate the rate increase.

– **General District Courts**

- **SB 1327 and HB 2729 – Judgeships.** Includes \$624,404 GF and 2.0 positions the second year for additional general district court judgeships in the Ninth and Thirty-First Judicial Districts, pursuant SB 1327 and HB 2729. The judgeships were recommended by the Committee on District Courts.

– **Juvenile and Domestic Relations District Courts**

- **SB 1327 and HB 2729 - Judgeships.** Provides \$312,202 GF and 1.0 position the second year for an additional juvenile and domestic relations district court judgeship in the Second Judicial District, pursuant to SB 1327 and HB 2729. The judgeship is a recommendation of the Committee on District Courts.

– **Indigent Defense Commission**

- **Additional Positions Fairfax Office.** Includes \$381,000 GF and 3.0 positions the second year to increase services provided to the Town of Herndon, Town of Vienna, and City of Fairfax.

- **SB 1466 and HB 2723 – Criminal Record Sealing Position.** Provides \$138,193 GF and 1.0 position the second year to implement the provision of SB 1466 and HB 2723 that requires the Indigent Defense Commission to provide education, training, and resources to support criminal record expungement and sealing processes.
- **Locality Supplemental Pay (NGF).** Includes \$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).** Provides \$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).** Includes \$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

Amendments to Executive Offices (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$66.1	\$41.2	\$66.0	\$41.2
Adopted Increases	-	-	-	-
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$0.0	\$0.0	\$0.0	\$0.0
Chapter 725, as Enacted	\$66.1	\$41.2	\$66.0	\$41.2

– **Office of the Governor**

- **Capture Transformation Office Balances to Study K-12 Funding [Veto].** Includes language to revert \$1.0 million GF in unexpended Transformation Office balances the Governor announced would be used to support a procurement for a contractor to simulate changes to Virginia's K-12 funding formula. These funds are redirected to the Joint Subcommittee to Study Elementary and Secondary Funding to lead this work. The Governor's veto was sustained during the Reconvened Session.

Administration

Amendments to Administration (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$996.5	\$3,317.4	\$986.4	\$3,380.2
Adopted Increases	2.7	0.9	14.9	51.2
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(0.3)</u>
\$ Net Change	\$2.7	\$0.9	\$14.9	\$50.9
Chapter 725, as Enacted	\$999.2	\$3,318.3	\$1,001.3	\$3,431.1

– **Secretary of Administration**

- **Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency.** Transfers \$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

- **Commonwealth’s Attorney Positions for Sealing Workload Increase.** Provides \$5.5 million GF the second year for the allocation of 70.0 Assistant Commonwealth’s Attorney positions to help address the increased workload expected from petitions for criminal record sealing, pursuant to existing law as amended by SB 1466 and HB 2723 of the 2025 Session of the General Assembly. According to the Department of Planning and Budget, up to 705,976 individuals may be eligible to file a petition when the new process becomes available on January 1, 2026.
 - Language prohibits localities from using the funding to supplant local funds provided for salaries in Commonwealth’s Attorney offices, requires Commonwealth’s Attorneys to comply with any information requests from the Compensation Board related to sealing workloads, and provides that unexpended funds carry forward into the next biennium.
- **Circuit Court Clerk Positions for Sealing Workload Increase.** Provides \$5.5 million GF the second year for the allocation of 117.0 Assistant Deputy Clerk IV positions to help address the increased workload expected with upcoming eligibility for criminal record sealing, pursuant to existing law as amended by SB 1466 and HB 2723 of the 2025 Session of the General Assembly. According to the Department of Planning and Budget, up to 705,976 individuals may be eligible for petition-based sealing and approximately 28,556 individuals will be eligible for automatic sealing.
 - Language prohibits localities from using the funding to supplant local funds provided for salaries in circuit court clerk offices, requires circuit court clerks to comply with any information requests from the Compensation Board related to sealing workloads, and provides that unexpended funds carry forward into the next biennium.
- **Salary Increase for Dispatchers in Sheriffs’ Offices.** Provides \$874,195 GF the second year to increase salaries by 6.0 percent for sheriffs’ dispatchers and dispatcher supervisors as of July 1, 2025.

- **Bath and Highland County Commonwealth's Attorneys Part- to Full-Time.** Includes \$270,970 GF the second year to convert the Commonwealth's Attorneys in Bath and Highland County, the two remaining part-time offices statewide, to full-time status, as elected by the Commonwealth's Attorneys and authorized by § 15.2-1629, Code of Virginia.
- **Website Modernization.** Includes \$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.
- **Policy Manager Position.** Provides \$137,175 GF and 1.0 position the second year for a policy manager position to support increased workloads, including data collection related to criminal record sealing petitions and various studies required by the General Assembly.
- **Population-Based Salary Increase.** Provides \$130,716 GF the second year to adjust elected constitutional officer salaries to align with local population growth, pursuant to existing budget language.
- **Jail Costs Related to Residents of the Virginia Center for Behavioral Rehabilitation (VCBR).** Includes \$100,000 GF the second year to increase from \$215,939 to \$315,939 the allowable annual reimbursement to the County of Nottoway for the costs of housing VCBR residents housed in the Piedmont Regional Jail after committing an offense. According to the County, the actual costs of housing such residents in FY 2024 was \$408,868.
- **Survey Impacts of Virtual Hearings on Jail Operations.** Includes language that directs the Compensation Board and the Board of Local and Regional Jails to study the impact of virtual court hearings on jail staffing and space impacts. The study includes a survey of local and regional jails, information on the prevalence of the virtual hearings from the Office of the Executive Secretary of the Supreme Court, and potential recommendations for staffing and space needs. The Boards shall submit a report to the Secretary of Administration, Secretary of Public Safety, and Chairs of the House Appropriations and Senate Finance and Appropriations Committee by June 30, 2026.

- **Study Constitutional Officer Salary Methodology.** Includes language directing the Compensation Board to assess potential options for additional information to be provided to the General Assembly to inform decisions on state salaries for constitutional officers. Specifically, options would include any state roles with similar duties and corresponding state salaries and information on local salary supplements. The Compensation Board is required to consult with staff representatives from the Department of Human Resources Management, the Department of Planning and Budget, and the House Appropriations and Senate Finance and Appropriations Committees and to provide an interim report by November 1, 2025, and a final report by October 1, 2026.

– **Department of General Services (DGS)**

- **Adjust Funding and Rates for the Office of Facilities Management Internal Service Fund.** Provides \$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 Broad 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.** Includes \$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.** Increases the hourly rate charged by the Division of Engineering and Buildings from \$192 to \$201 in the second year for engineering and architectural services to capital projects. The impact of this change affects the cost of capital projects.

– **Department of Human Resource Management**

- **Fund Information Security Analyst Position.** Includes \$73,708 GF, \$73,708 NGF, and 1.0 position the second year to support the cost of a 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.** Provides \$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.
- **Biennial Review of Employee Compensation Requirements.** Adds language to require as part of the Department of Human Resource Management's (DHRM) biennial report on employee compensation, recruitment and retention to include an evaluation of total compensation, including retirement benefits for law enforcement officers employed by the Commonwealth and covered under the Virginia Law Officers' Retirement System. Additionally, DHRM and the Virginia Retirement System (VRS) must complete an analysis to determine whether the elimination of the traditional Virginia Retirement System defined benefit pension has affected the Commonwealth's ability to retain and recruit government employees and include their findings in the biennial report. DHRM must separately solicit input from the Department of Education and VRS on their assessments on whether the elimination of the traditional Virginia Retirement System defined benefit pension has affected the Commonwealth's ability to retain and recruit teachers.
- **Oversight of State Health Plan.** Establishes a State Health Plan Advisory Council of seven members to meet at least once each year to: (i) review the performance of the state health plans for the prior fiscal year including claims payments, cost drivers, and access to providers; (ii) review plan benefits and cost sharing provisions; and (iii) review growth in premiums and the financial status of Health Insurance Fund. The Council may make recommendations to the Governor and the General Assembly regarding any changes to the state health plans.

- **Contracting Requirements.** Adds language to clarify that no payments from the State Health Plan can be made for contingency fee-based contracts. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget, but the veto was not included in the final Chapter because the Keeper of the Rolls determined that it was not constitutional.

– **Department of Elections**

- **Fund Plan for Upgrades for Current Elections Software.** Provides \$250,000 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.** Includes \$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 (VITA)**

- **Establish the Project Management Center of Excellence.** Provides \$2.0 million GF and 1.0 position the second year to create the Project Management Center of Excellence for the Commonwealth. The Center will provide extensive support and management to agencies undertaking complex information technology systems and application projects. The budget also designates \$600,000 GF the second year to support implementation costs associated with HB 2541 of the 2025 General Assembly, which updates the Information Technology Access Act for digital accessibility.
- **Fund State Share of Federal Cybersecurity Grant.** Includes \$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.** Provides \$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.** Adds \$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.** Provides \$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.** Includes \$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.** Provides \$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.** Provides \$960,000 NGF and 5.0 positions the second year to support VITA 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.** Adds 10.0 positions the second year for the transition to new managed security services (MSS). Positions are needed to support the in-sourcing of cybersecurity functions from the 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. The Virginia Information Technologies Agency (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

Amendments to Agriculture and Forestry (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$86.6	\$69.6	\$82.4	\$69.9
Adopted Increases	1.8	-	3.7	1.7
Adopted Decreases	<u>(<0.1)</u>	<u>(0.0)</u>	<u>(0.2)</u>	<u>(0.0)</u>
\$ Net Change	1.8	0.0	3.5	1.7
Chapter 725, as Enacted	\$88.4	\$69.6	\$85.9	\$71.6

– Department of Agriculture and Consumer Services

- **Modernize Regulatory Program Platform.** Provides \$150,000 GF the first year and \$2.8 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.** Includes an increase of \$632,211 GF the first year to purchase equipment needed to begin inspection of commercial electric vehicle charging stations.
- **Replace Outdated Liquid Propane Gas Testing Equipment.** Provides \$149,500 GF the first year to replace liquid propane gas inspection equipment to meet industry standards.
- **Spirits Promotion Fund.** Includes 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.** Decreases the deposit by \$77,848 GF over the biennium 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.
- **Large Animal Veterinary Grant Program.** Provides \$450,000 GF the second year to establish a Large Animal Veterinary Grant Program to provide incentives to increase or stabilize the number of large animal veterinarians practicing in areas of the Commonwealth identified as having a shortage of necessary practitioners.
- **Shenandoah County Equine Facilities.** Includes \$300,000 GF the first year for the Shenandoah County Agricultural Foundation to support the promotion, education, maintenance, and safety of horse racing through equine facility infrastructure improvements.
- **Increase Support for and Clarify Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program.** Provides an additional \$250,000 GF the first year and updates 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. Total support for the incentive grant program is \$750,000 GF over the biennium.
- **Nongeneral Fund Appropriation Adjustments.** Includes 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.

– Department of Forestry

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

Commerce and Trade

Amendments to Commerce and Trade (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$499.7	\$277.9	\$501.4	\$277.9
Adopted Increases	270.4	-	6.2	-
Adopted Decreases	(1.4)	(0.0)	(105.5)	0.0
\$ Net Change	269.0	0.0	(99.3)	0.0
Chapter 725, as Enacted	\$778.7	\$277.9	\$402.3	\$277.9

– 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.** Provides an additional \$20.0 million GF the first year for the Virginia Business Ready Sites Program. The additional support would bring the total funding available to \$60.0 million GF over the biennium for site development matching grants.
- **Reauthorize Funding to Reimburse Wythe County.** Includes \$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.

- **Shift Funding for the Inland Port.** Shifts \$2.5 million GF previously approved for development of an inland port in the Mt. Rodgers district from FY 2026 to FY 2025.
- **Transfer and Adjust Funding for Major Headquarters Workforce Grant Fund.** Transfers \$21.3 million GF from the second year to the first year and reduces the first-year funding by \$13.8 million GF for advance deposit to the Major Headquarters Workforce Grant Fund to reflect the most recent estimate of incentive grant payments for the Amazon HQ2 project. The deposit of \$28.7 million GF the first year, combined with previous appropriations, will provide \$152.7 million for payments starting in FY 2027.
- **Develop Advanced Laboratory Facility.** Provides \$7.5 million GF the first year to the University of Virginia Medical Center for the development of advanced laboratory space to support the scale-up of fast-growing life sciences companies. The funding requires a dollar-for-dollar match and successful completion of GO Virginia grant milestone objectives for related activities under a previously awarded project.
- **Support Insulin Manufacturing Facility.** Includes \$3.0 million GF the first year to support a non-profit pharmaceutical manufacturing facility that is developing a low-cost fast-acting insulin. The funding requires a dollar-for-dollar match and a commitment to produce the fast-acting, bio-similar insulin at a price of no more than \$30 per vial and not more than \$55 for five pre-filled insulin pens.
- **Retrofit Laboratory Space for Life Sciences.** Provides \$4.0 million GF the first year to the City of Roanoke to create advanced laboratory space for new cell/gene therapy companies. The funding requires a dollar-for-dollar match and demonstration of an anchor tenant that specializes in new cell/gene therapy research and is affiliated with a nationally recognized hospital.
- **Eastern Shore Economic Development Project.** Includes \$6.5 million GF the first year for Accomack County to establish natural gas infrastructure and distribution to support economic development in the county, including the Mid-Atlantic Regional Spaceport.

- **Major Energy Economic Development Project.** Provides \$1.0 million GF the first year to Chesterfield County for site design and engineering activities for the Commonwealth Fusion Systems energy-related economic development project. The funding requires a dollar-for-dollar match.
- **Motion Picture Opportunity Fund.** Includes \$1.0 million GF the first year for the Virginia Motion Picture Opportunity Fund to meet current financial obligations.
- **Update the Virginia Investment Performance Grant.** Reduces 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.** Includes 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.
- **Adjust Business Ready Sites Language.** Updates budget language to reflect SB 1275, which allows the Virginia Economic Development Partnership Authority to determine a site of at least 25 contiguous acres to be eligible for business ready sites grant funding, provided that the site is in a locality with an area of 35 square miles or less.
- **Repurpose Incentive Payment and Clarify the Use of Central Virginia Training Center Proceeds.** Includes a language-only amendment to authorize 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 permits 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**

- **Disaster Mitigation for Qualified Communities.** Provides \$50.0 million GF the first year to assist victims of Hurricane Helene and the February 2025 storm who suffered major residential, agricultural, and business damage and to improve the

weather-hazard resilience in communities affected by flood disasters. The budget language established parameters for assistance and disaster mitigation, and it directs \$350,000 GF the first year to pilot an emergency management mobile application communications platform in Health Service Area 3.

- **Establish Rental Assistance Pilot Program [Veto].** Includes \$20.0 million GF the first year to establish a family rental assistance pilot program in Planning District Commission Regions 8 and 23. The program will provide rental assistance to households with children under age 16 with incomes less than 50.0 percent of the area median income for the locality. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Establish First-Time Homebuyer Grant Program [Veto].** Provides \$15.0 million GF the first year to assist first-time homebuyers with costs incurred in the direct ownership of residential real property. Eligible first-time homebuyers with incomes less than \$100,000 or the median annual household income for the locality may receive a grant equal to 5.0 percent of the home sale price, up to \$10,000. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Support for Local Housing Trust Funds and Projects [Veto].** Includes \$13.0 million GF the first year for grants to localities or planning district commissions for local Housing Trust Funds to encourage local affordable housing investments. In addition, directs \$5.0 million to Prince William County to support affordable housing, \$1.0 million GF to the City of Emporia for an affordable housing project, and \$250,000 GF to Tazewell County for remediation of blighted properties in the Town of Richlands to create affordable housing sites. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Pulaski County Site Readiness Improvements.** Provides \$7.5 million GF the first year to Pulaski County for economic development site readiness improvements, including a road extension, grading, and natural gas pipeline extension. The funding requires a dollar-for-dollar match and commitment by a company to locate or expand operations on the site.

- **Fund Urban Public-Private Partnership Fund [Veto].** Includes \$2.5 million GF the first year to capitalize the Urban Public-Private Partnership Fund. The budget language includes criteria for prioritizing awards to local governments, including fiscal stress and declining commercial real estate assessments, for projects with partners including private developers, nonprofit organizations, land banks, and common interest communities. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Capitalize the Community Development Financial Institutions Fund.** Includes \$2.5 million GF the first year to recapitalize the Community Development Financial Institutions Fund and to establish a revolving funding to provide low-interest loans to qualifying institutions.
- **Sanitary Sewer Pump Station Upgrades.** Provides \$4.3 million GF the first year to the City of Portsmouth to upgrade five sanitary sewer pump stations.
- **Prentis Street Transmission [Veto].** Includes \$6.0 million GF the first year to the City of Portsmouth to support the Prentis Street transmission water main improvement project. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Eviction Prevention and Support.** Includes \$1.5 million GF the first year to the City of Portsmouth to support expanded eviction prevention programs and targeted support for McKinney-Vento children provided by ForKids in Portsmouth, Chesapeake, and the surrounding areas.
- **Occoquan Riverwalk Project [Veto].** Provides \$1.2 million GF the first year to Prince William County for expansion of the Occoquan Riverwalk in the town's historic district. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Western Tidewater Homeless Shelter.** Includes \$500,000 GF the first year to the City of Suffolk to complete construction of a homeless shelter in the Western Tidewater region.
- **Low-Barrier Emergency Shelter [Veto].** Provides \$1.5 million GF the first year to the City of Charlottesville to repurpose an existing facility to create a low-barrier

emergency shelter. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

- **Fund Natural Gas Study in Patrick County.** Provides \$100,000 GF the first year for Patrick County to conduct a natural gas study.
- **Shift Virginia Telecommunication Initiative Funding.** Shifts \$10.0 million GF from the second year to the first for the extension of broadband services to currently unserved areas. Budget language directs that it is the intent of the General Assembly that the funding be continued in the next biennium.
- **Shift White Mill Revitalization Funding.** Shifts \$2.0 million GF provided to the City of Danville for the White Mill revitalization project from the second year to the first year.
- **Continuum of Care Communities.** Includes language directing \$675,000 GF previously provided to support the organizational capacity and administrative needs of the Continuum of Care lead agencies as they serve people at risk of or experiencing homelessness.
- **Study of Longtime Owner Occupancy Programs.** Includes language directing the Department of Housing and Community Development to convene a stakeholder group to identify policy options and consider recommendations to keep long-term residents in their primary homes as real property tax liabilities increase, with the support of the Commission on Local Government and the Department of Taxation.

– **Department of Energy**

- **Funding for Equipment.** Includes \$225,000 GF the first year to replace outdated geoprobe equipment used for geological data collection.
- **Capture Dominion Energy Rebates.** Provides 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.
- **Reversion to the general fund [Veto].** Includes language directing the State Comptroller to revert \$10.0 million GF from the balances of the Department. The

Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

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

- **Increase Business Certification Capacity.** Includes \$86,078 GF the second year for 1.0 additional position to process Small, Women-Owned, and Minority-Owned (SWaM) business certification applications.
- **Capital Access Program.** Includes \$150,000 GF the first year for the City of Richmond to support the Capital Access Program offered by the Metropolitan Business League and Bridging Virginia to provide resources for businesses owned by individuals from historically marginalized and economically disadvantaged communities.
- **Technical Appropriation Adjustments.** Includes 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.** Directs 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 Economic Development Partnership**

- **Virginia Internship Program.** Transfers \$6.0 million GF the second year and responsibility for building and maintaining relationships with the business community to provide paid internship opportunities for postsecondary students from the State Council for Higher Education in Virginia. Includes funding for development of an intern portal as part of the Department of Workforce Development and Advancement's Virginia Has Jobs website. Budget language directs up to \$3.5 million GF in FY 2026 and up to \$6.0 million GF thereafter for administration of a matching grant program for certain employers as an incentive to employ undergraduate student interns.

- **Increase Targeted Marketing [Veto].** Provides \$1.5 million GF the first year to enhance economic development marketing to capitalize on Virginia’s designation as the “Top State for Business.” The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

– **Virginia Tourism Authority**

- **Southwest Virginia Regional Recreation Authority.** Provides \$395,000 GF the first year for the Southwest Virginia Regional Recreation Authority to support the Spearhead Trails initiative.
- **St. Paul Visitors Center.** Includes \$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.
- **Sports Tourism.** Provides \$3.0 million GF the first year to Prince William County to support a LIV Golf League tournament at Robert Trent Jones Golf Club in Gainesville in June 2025.
- **Blue Highway Festival.** Includes \$50,000 GF the first year for Wise County to support the Blue Highway Music Festival in Big Stone Gap.
- **Schooner Virginia Educational Programming.** Provides \$125,000 GF each year to the City of Norfolk to support Nauticus educational programming related to Schooner Virginia, a reproduction of the last tall sail vessel built for the Virginia Pilot Association.
- **Tourism Marketing Campaign [Veto].** Includes \$1.3 million GF the first year to develop a marketing campaign to attract visitors from Black, Indigenous, and Hispanic communities. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

– **Virginia Innovative Partnership Authority**

- **Life Sciences Initiative.** Shifts \$69.1 million GF from the second year to the first year and includes language clarifying that balances remaining from the existing \$90.0 million GF investment in four life sciences initiatives are to be reappropriated at the end of the fiscal year.

- **Commonwealth Health Research Board Collaboration.** Removes language that required the Commonwealth Health Research Board to collaborate with the Virginia Biosciences Health Research Corporation (Virginia Catalyst).

Public Education

Amendments to Public Education (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$9,779.7	\$2,501.0	\$9,928.7	\$2,537.0
Adopted Increases	286.2	567.6	403.7	472.8
Adopted Decreases	<u>(61.7)</u>	<u>0.0</u>	<u>(82.4)</u>	<u>0.0</u>
\$ Net Change	224.5	567.6	321.4	472.8
Chapter 725, as Enacted	\$10,004.2	\$3,068.6	\$10,250.1	\$3,009.8

– Secretary of Education

- **Extend Museum of Transportation Report Date.** Extends the due date for the Secretary of Education and the Secretary of Finance to 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

Changes to Direct Aid to Public Education, excluding early childhood education, result in a net increase of \$171.2 million GF the first year and \$300.7 million GF the second year, totaling \$472.0 million GF across the biennium. This includes routine updates to Direct Aid, which adjust the cost of Standard of Quality programs and other education programs based on updated data and projections.

Routine and technical updates to Direct Aid to Public Education result in a net increase of \$99.7 million GF over the biennium. Policy changes result in a net increase of \$372.3 million GF over the biennium.

Summary of Adopted Actions for Direct Aid to Public Education (GF \$ in millions)			
	FY 2025	FY 2026	Biennium
Routine & Technical Updates			
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 Fairfax Early Reading Data	2.7	2.7	5.3
Update School Breakfast	2.5	2.7	5.2
Update Cost of Incentive Programs	(4.5)	(0.4)	(4.9)
Update Remedial Summer School Participation	(2.9)	-	(2.9)
Update Sales Tax Distribution for School Age Population	-	(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>
Subtotal: Routine & Technical Updates	\$26.2	\$73.5	\$99.7
Policy Changes – Direct Aid to Public Education*			
Raise Support Cap Ratio to 27.89 per 1,000 Students	\$0.0	\$222.9	\$222.9
\$1,000 Bonus for Teachers and Instructional Positions	134.4	-	134.4
Special Education Add-On	-	52.8	52.8
Literary Fund to Support Teacher Retirement (supplant with NGF)	-	(25.0)	(25.0)
Lottery Proceeds Update (supplant with NGF)	<u>\$0.0</u>	<u>(\$24.0)</u>	<u>(\$24.0)</u>
Subtotal: Policy Changes, Direct Aid	\$134.4	\$226.7	\$361.1
<i>*Does not include \$200.0 million NGF in support for school construction over the biennium.</i>			

Summary of Adopted Actions for Direct Aid to Public Education

(GF \$ in millions)

	FY 2025	FY 2026	Biennium
Policy Changes – Supplemental Education			
Community Schools	\$2.5	\$0.0	\$2.5
Boys & Girls Club	1.0	-	1.0
Mathews County Asbestos Removal	1.0	-	1.0
eMediaVA	0.8	-	0.8
PBS Appalachia	0.8	-	0.8
Blue Ridge PBS	0.8	-	0.8
Children’s Museum of Richmond	0.8	-	0.8
Goodwill Excel Center	0.5	-	0.5
Dolly Parton’s Imagination Library	0.5	-	0.5
Opportunity Scholars	0.5	-	0.5
Greater Peninsula C.A.R.E.S.	0.5	-	0.5
South Hampton YMCA	0.5	-	0.5
UBU 100	0.3	-	0.3
Teach for America	0.3	-	0.3
Virginia Leads Innovation Network (VaLIN)	-	0.3	0.3
AP, IB, and Cambridge Assessment Exam Fee Reduction Program	-	0.2	0.2
Virginia Holocaust Museum	0.1	-	0.1
New Chesapeake Men for Progress	0.1	-	0.1
Vision Screening Grants	-	0.2	0.2
Savings from CTE Center Consolidation	<u>(\$<0.1)</u>	<u>(\$<0.1)</u>	<u>(\$0.1)</u>
Subtotal: Policy Changes, Supplemental Education	\$10.7	\$0.5	\$11.2
Total, Direct Aid to Public Education	\$171.2	\$300.7	\$472.0
<i>Note: some totals may not sum 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, that incorporated proficiency level data based on changes made in the 2024 Session.
 - Increased costs are primarily driven by a change in reported student proficiency levels, rather than a significant change in the overall number of ELL students identified.
 - In FY 2026, proficiency data will increase by 38,344 students identified as proficiency levels one, two, or three while level four or 'other' will decrease 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. Lottery profits in FY 2024 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.

Lottery Proceeds Forecast (\$ in millions)			
	FY 2025	FY 2026	Biennium
Lottery Proceeds Forecast Chapter 2 (FY 2025 assumes \$50.0 million from FY 2024 residuals)	\$902.9	\$852.9	\$1,755.8
Lottery Forecast Fall 2024			
Residual FY 2024 Profits (less \$50.0 million already recognized in Ch 2)	25.6	-	25.6
Change in Estimated Fiscal Year Profits	<u>15.3</u>	<u>22.4</u>	<u>37.7</u>
Total Lottery Proceeds Forecast, HB 1600/SB 800	\$943.8	\$875.3	\$1,819.1
Difference from Chapter 2 Forecast (GF Offset)	\$40.9	\$22.4	\$63.3

- **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 by \$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.
- **Update Fairfax County Early Reading Data.** Includes \$5.3 million GF across the biennium to reflect a technical update to literacy screening data in Fairfax County.
- **Update School Breakfast Reimbursement.** Provides \$2.5 million GF the first year and \$2.7 million GF the second year to reflect the increase in school breakfast reimbursement provided in Chapter 2, 2024 Special Session I.
- **Adjust Federal Appropriation.** Includes 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**

- **Support Cap.** Provides \$222.9 million GF the second year to raise the support cap ratio from 24 per 1,000 students to the prevailing ratio of 27.89 per 1,000 students.
- **\$1,000 One-Time Teacher Bonus.** Includes \$134.4 million GF the first year to fund the cost of up to a \$1,000 bonus per funded SOQ instructional and support position by June 1, 2025, with no required local match.
- **Special Education Add-On.** Provides \$52.8 million GF the second year to support an add-on for special education students based on the level of services they

receive. Funds support a 4.75 percent basic aid add-on for students receiving Level I (resource) services and a 5.25 percent basic aid add-on for students receiving Level II (self-contained) services, as defined in 8VAC20-81-10.

- **Literary Fund to Support Teacher Retirement.** Supplants \$25.0 million GF the second year with \$25.0 million NGF from the Literary Fund to support teacher retirement.
- **Lottery Proceeds Fund.** Supplants \$24.0 million GF the second year with \$24.0 million NGF from the Lottery Proceeds Fund cash balances.
- **School Construction.** Includes an increase of \$200.0 million NGF across the biennium to support school construction.
 - This amount includes \$120.0 million the first year and \$30.0 million the second year from casino tax revenues deposited to the School Construction Fund and a one-time deposit of \$50.0 million the first year from the Literary Fund to the School Construction Fund. This includes revised Lottery revenue forecast estimates and reflects \$100.0 million in FY 2024 from residual FY 2024 casino tax revenue.
 - These additional investments bring total funding for school construction up to \$360.0 million over the biennium.

– Supplemental Education

- **Community Schools.** Provides an additional \$2.5 million GF the first year to support Community Schools and includes language specifying that Communities in Schools and its affiliates are eligible grant recipients.
- **Virginia Alliance of Boys and Girls Clubs.** Includes \$1.0 million GF the first year to expand student access to Clubs and support learning beyond the traditional school day.
- **Mathews County Asbestos Removal.** Provides \$1.0 million GF the first year to support the removal of asbestos at a middle school in Mathews County.
- **eMediaVA.** Includes an additional \$750,000 GF the first year to support eMediaVA and adjusts language to clarify the timeline for determining digital content each year.

- **PBS Appalachia.** Provides an additional \$750,000 GF the first year to support PBS Appalachia.
- **Blue Ridge PBS.** Provides an additional \$750,000 GF the first year to support Blue Ridge PBS.
- **Children’s Museum of Richmond.** Includes \$750,000 GF the first year to support educational programming at the Children’s Museum of Richmond.
- **Opportunity Scholars.** Provides \$500,000 GF the first year to support the expansion of Opportunity Scholars programming in Hampton Roads and Northern Virginia.
- **Dolly Parton’s Imagination Library.** Includes \$500,000 GF the first year to increase the appropriation for Dolly Parton’s Imagination Library.
- **Goodwill Excel Center.** Provides \$500,000 GF the first year to support the Diplomas for All program at the Goodwill Industries of the Valley’s Excel Center.
- **Greater Peninsula C.A.R.E.S.** Includes \$500,000 GF the first year to support the Greater Peninsula C.A.R.E.S. Learning Recovery Program, which seeks to address learning loss among students in Hampton and Newport News.
- **South Hampton YMCA.** Provides \$500,000 GF the first year to support youth programming at the YMCA of South Hampton Roads.
- **Vision Screening Grants.** Includes 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.** Includes an additional \$250,000 GF the first year and 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.

- **UBU 100/My Life Coach Academy.** Provides \$250,000 GF the first year to support the UBU 100 Program and My Life Coach Academy in the City of Richmond, supporting advanced education opportunities and career readiness for at-risk youth.
- **Virginia Leads Innovation Network (VaLIN).** Includes \$250,000 the second year for VaLIN to enable the Network's support of Virginia's education system via a regional center model.
- **AP, IB, and Cambridge Assessment Exam Fee Reduction.** Provides an additional \$150,000 GF the second year for the AP, IB, and Cambridge Assessment Exam Fee Reduction program, which covers all but the last \$20 of these exam fees for eligible lower-income students. This additional investment allows the appropriation to match demand.
- **Virginia Holocaust Museum.** Includes an additional \$125,000 GF the first year to support the Virginia Holocaust Museum.
- **New Chesapeake Men for Progress.** Provides \$100,000 GF the first year to support the New Chesapeake Men for Progress Education Foundation to provide mentoring and enhanced services for underserved youth.
- **YMCA Power Scholars.** Adjusts language associated with the YMCA Power Scholars Academy to allow the existing appropriation to be used for after school learning loss programs.

– Department of Education

- **Mathematics Improvement Initiative.** Includes \$11.0 million GF the first year and \$1.0 million GF and 5.0 positions the second year to support the improvement of mathematics education and instruction in public schools in the Commonwealth, including:
 - \$10.0 million GF the first year for grants to local school divisions for mathematics curriculum, high quality instructional materials, competency-based/mastery learning models, and regional network support to improve instruction for high-need student groups;

- \$1.0 million GF the first year to support expanded access to online advanced math programming and math experts through math teacher credentialing options; and
- The establishment of a Mathematics Advisory Task Force to provide recommendations on improving mathematics education.
- **State Assessment Contract.** Provides \$6.7 million GF the first year and \$19.5 million GF the second year to support assessment system extensions and actions towards a new state assessment system. Of this amount:
 - \$6.2 million GF the first year and \$19.5 million GF the second year are provided to support the increased cost of assessment system extensions through December 31, 2027. The funding is unallotted until the Department of Education provides an updated report on the contract costs to the Secretary of Education, Secretary of Finance, and Department of Planning and Budget. The Department must maximize use of nongeneral funds to support the cost of assessment extensions and any general fund that is not required to meet the obligations of the contract must remain unallotted; and
 - \$500,000 GF the first year is provided for the Secretary of Education and Department of Education to contract with a vendor to support the development of a request for proposals (RFP) for a new statewide assessment system. Language authorizes the extension of the current assessment contract through December 31, 2027, to provide adequate time for the procurement process. Language requires a report on the project plan from the work with the vendor to the Chairs and staff of the Senate Finance and Appropriations, Senate Education and Health, House Appropriations, and House Education Committees by November 1, 2025.
- **Virginia Individualized Education Plan System.** Includes \$5.0 million GF the first year to support enhancements to the Virginia Individualized Education Plan (IEP) System, including modules to support student progress tracking, document translation, family engagement, IEP and 504 processes, and a dashboard supporting performance monitoring.

- **Learning Management System.** Provides \$5.1 million GF the first year to support a statewide Learning Management System (LMS) previously supported by federal funds.
- **Increase Maximum Employment Level.** Increases the Department's maximum employment level by 32.0 positions in the second year for positions funded by existing appropriations.
- **Establish Staffing Requirement at Office of School Quality [Veto].** Includes language requiring the Office of School Quality to maintain at least 30.0 full-time employees to support schools and school divisions not meeting state benchmarks and specifies that at least six of these positions should be deployed as regional support specialists. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Transfer Department of Social Services Employees.** Transfers 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.** Provides \$14.8 million NGF the second year, reflecting an increase in the federal appropriation based on estimated revenues.

– **Virginia School for the Deaf and the Blind**

- **Authorize Campus Police Department.** Provides \$75,000 GF the second year and language to authorize the Virginia School for the Deaf and the Blind (VSDB) to establish a campus police department, with ongoing funding to support Virginia Law Officers' Retirement System (VaLORS) and Line of Duty Act (LODA) premiums.
 - The Conference budget included language requiring the Secretary of Education to review campus safety at VSDB and issue recommendations to be included in VSDB's annual request for funding. In the first year, \$75,000 GF was provided, which was unallotted to be made available to VSDB upon passage of legislation authorizing changes to campus safety.

– Other Items Impacting Public Education

- **Joint Subcommittee on Elementary and Secondary Education [Veto].** Provides \$1.0 million GF the first year to support public engagement, facilitation, and technical support for the Joint Subcommittee. The Governor's veto was sustained during the Reconvened Session.
- **Sales Tax Revenues.** Directs staff from the Department of Planning and Budget, Department of Taxation, and the money committees to collaborate and propose legislative changes to streamline the flow of certain sales tax revenues, which are currently required to be deposited into a special fund and are later transferred into the general fund for use on public education.

– Early Childhood Care and Education

HB 1600 makes 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) and includes a \$25.0 million GF investment in a new employer cost-share pilot program to incentivize business contributions for their employee's childcare. The pilot program was vetoed by the Governor after the Reconvened Session.

- **Employee Child Care Assistance Pilot Program [Veto].** Provides \$25.0 million GF the first year to establish the Employee Child Care Assistance Pilot Program, administered by the Virginia Early Childhood Foundation, to incentivize employers to contribute to the child care costs of their employees. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
 - Specifies that the state shall pay no more than 40.0 percent of the cost per child care slot after the application of family copayments.
 - Employees shall pay up to 10.0 percent of family household income as their copayment, based on their family income. Families earning up to 85.0 percent of the state median income are eligible to participate.

- Funds for the pilot program shall carry forward until June 30, 2028, and the Foundation shall report on the status and effectiveness of the Program by September 1 annually.
- **Small Family Day Home Provider Incentive Pilot Program.** Includes \$400,000 GF the first year for the Small Family Day Home Provider Incentive Pilot Program in Ready Region Chesapeake Bay to support small family day home providers with training, licensure and registration, and participation in the Virginia Quality Birth to Five (VQB5) program. This appropriation is associated with HB 1833 and allows for carryforward until the end of fiscal year 2029 to match the sunset in the legislation.
- **Family Copayment Requirements.** Provides 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 five percent of annual income for all other households. Total copayments for families cannot exceed 5.0 percent of household income. Exploring reasonable changes to family copayments was a recommendation of the Commission on Early Childhood Care and Education.
- **Parental Work Requirements.** Adjusts parental work requirements for CCSP and Mixed Delivery in fiscal year 2026 to 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 does not create any new slots but could create turnover for working families on the waitlist. This was a recommendation of the Commission on Early Childhood Care and Education.
- **Review Attendance Requirements.** Directs the Department of Education to revise attendance requirements for CCSP, Mixed Delivery, and VPI, subject to the review of the Early Childhood Care and Education Commission, 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. Proposed revisions must be reported to the General Assembly by December 1, 2025.

- **Reporting Requirements.** Adjusts language to consolidate the annual reporting requirements for early childhood care and education programs.
- **Early Childhood Care and Education Commission Reports.** Creates new reporting topics for the Early Childhood Care and Education Commission, with a report due by December 1, 2025. Topics include:
 - Adjustments to CCSP reimbursement rates for school age children and the appropriateness of continuing to provide CCSP services to school age children, including an update on the current structure of publicly funded out-of-school time learning in consultation with providers of such programming; and
 - Approaches to maximize use of resources by adjusting income eligibility requirements to reflect regional cost of living variations.
- **CCSP Transfer Language.** Adds 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

Adjustments to Higher Education				
(\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$3,615.0	\$11,947.9	\$3,618.6	\$12,323.6
Adopted Increases	196.0	69.4	63.3	471.0
Adopted Decreases	<u>0.0</u>	<u>(45.0)</u>	<u>(6.0)</u>	<u>(61.2)</u>
\$ Net Change	\$196.0	\$24.4	\$57.3	\$409.8
Chapter 725, as Enacted	\$3,811.1	\$11,972.3	\$3,675.9	\$12,733.4

Chapter 725 results in a total net increase of \$253.4 million GF and \$434.2 NGF over the biennium. Of the GF amounts, \$163.4 million over the biennium is provided for new initiatives. The remaining \$90.0 million appropriates funds that were 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). The NGF amounts are primarily adjustments to update 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
SCHEV - VMSDEP Waiver*	\$55.0	\$45.0	\$100.0
Maintain Affordability - Operational Support	55.0	-	55.0
Institution – Specific Initiatives: Other	20.0	1.0	21.0
Institution – Specific Initiatives: HBCU Collaboration	20.0	-	20.0
Maintain Affordability - Undergraduate Financial Aid	15.0	-	15.0
Institution – Specific Initiatives: IT Modernization	15.0	-	15.0

Summary of Higher Education Actions (GF \$ in millions)			
SCHEV - Tuition Assistance Grant (TAG) Maintain Awards	-	10.0	10.0
Institution – Specific Initiatives: Healthcare Programs	10.3	-	10.3
SCHEV - VMSDEP - Stipends	2.3	7.1	9.4
SCHEV – Additional TAG for Students Attending Hispanic-Serving Institutions	1.8	-	1.8
Higher Education Centers**	1.1	-	1.1
SCHEV – Hunger-Free Campus Grant Program	0.5	-	0.5
SCHEV – Data Visualization, Analysis, and VLDS	-	0.3	0.3
SCHEV – Internship Business Participation to VEDP	<u>0.0</u>	<u>(6.0)</u>	<u>(6.0)</u>
Total	\$196.0	\$57.3	\$253.4
*\$45.0 million each year of the biennium was included in Chapters 3 and 4, 2024 Special Session I from excess general fund revenue. ** The Governor Vetoed \$500,00 related to New College Institute after the Reconvened Session as part of the final actions on the budget. Note: Totals may not sum due to rounding.			

– **State Council of Higher Education for Virginia (SCHEV)**

• **Virginia Military Survivors and Dependents Program (VMSDEP).**

- Provides an additional \$55.0 million GF the first year and \$45.0 million GF the second year to SCHEV to allocate funds to institutions to offset the impact of VMSDEP tuition waivers.
 - Of the amounts, \$45.0 million GF each year was reserved from excess 2024 general fund revenue provided in Chapters 3 and 4, 2024 Special Session I. Language also states that \$45.0 million shall be included in the base for the next biennium.
 - When combined with existing appropriations, total funding to support tuition waivers is \$75.0 million the first year and \$65.0 million the second year.
 - Language also reserves \$20.0 million the second year from excess FY 2025 general fund revenue to support tuition waivers.

- Provides \$2.3 million GF the first year and \$7.1 million GF the second year to support the VMSDEP stipend program based on expected growth in enrollment.
 - Language changes 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 15th to June 30th of each year.
- **Tuition Assistance Grant (TAG).** Includes \$10.0 million GF the second year to provide additional funding to meet expected growth of the program and maintain awards at \$5,250.
- **Additional TAG for Students Attending Hispanic-Serving Institutions.** Provides \$1.8 million GF the first year for students enrolled in TAG-eligible Virginia institutions that are designated by the U.S. Department of Education as a Hispanic-Serving Institution (HSI). Students are eligible to receive an award of up to \$2,000 in addition to the existing TAG award amount.
- **Workforce Credential Grant Program.** Includes \$15.0 million NGF the first year from the community college system's G3 balances to support pay-for-performance noncredit industry-based credential training through the community colleges (branded as FastForward) and higher education centers to meet anticipated demand.
- **Hunger-Free Campus Grant Program.** Provides \$500,000 GF the first year to support a grant program to institutions to designate their campuses as Hunger-Free.
- **Data Visualization, Analysis, and Virginia Longitudinal Data System (VLDS).** Includes \$350,949 GF the second year to support data analysis, visualization, and costs associated with maintaining the VLDS.
- **Transfer Internship Business Component to Virginia Economic Development Partnership (VEDP).** Transfers \$6.0 million GF the second year for VEDP to administer the business component of the Innovative Internship Program, including marketing and outreach to employers, development of a jobseeker portal, regional collaboratives, and employer matching grants.

- Requires SCHEV to enter into an MOU with VEDP to transition the employer-focused component and for SCHEV and VEDP to establish goals and metrics for internships and work-based learning opportunities for employers, students, and institutions. Permits VEDP to establish an MOU to support the employer-focused activities.
- Requires institutions to set goals and progress measures aligned to metrics set by SCHEV and VEDP and to develop a plan to ensure existing programs and any new programs developed to include internships or work-based learning opportunities where appropriate.
- Includes reporting requirements beginning in FY 2027 for SCHEV and VEDP to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1st each year.
- **Pell Initiative Due Date.** Changes the reporting due date to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees for the Pell Initiative from October 1st to November 1st of each year.

– **Maintain Affordability - Operational Support and Undergraduate Financial Aid**

- Provides \$55.0 million GF the first year to support operational costs and \$15.0 million GF the first year to provide need-based financial aid to undergraduate students at all public institutions. Amounts by institution are included in the following table.

Summary of Higher Education Maintain Affordability and Financial Aid (GF \$ in millions FY 2025)		
	Maintain Affordability FY 2025	Financial Aid FY 2025
Christopher Newport (CNU)	\$1.5	\$0.3
College of William & Mary (CWM)	2.1	0.2
George Mason (GMU)	7.4	2.0
James Madison (JMU)	3.9	1.0
Longwood	1.2	0.4

Summary of Higher Education Maintain Affordability and Financial Aid (GF \$ in millions FY 2025)		
Norfolk State (NSU)	1.3	0.7
Old Dominion (ODU)	4.8	2.1
Radford	1.8	0.7
Richard Bland College (RBC)	0.3	<0.1
Mary Washington (UMW)	1.2	0.2
University of Virginia (UVA)	6.0	0.3
UVA - Wise	0.5	0.1
Virginia Community College System (VCCS)	7.6	2.8
Virginia Commonwealth University (VCU)	7.3	2.1
Virginia Military Institute (VMI)	0.6	<0.1
Virginia State University (VSU)	1.2	0.6
Virginia Tech (VT)	<u>6.4</u>	<u>1.3</u>
Total	\$55.0	\$15.0

– Institution-Specific Initiatives

- Provides \$65.3 million GF over the biennium to support institution-specific initiatives, including \$20.0 million for public and private historically black colleges and university (HBCU) collaborations through NSU and VSU, \$15.0 million for IT modernization projects at CNU, CWM, NSU, and UMW, and \$10.3 million to support the expansion of nursing and physician healthcare programs at JMU, Radford, UMW, and VT. The following table summarizes the initiatives.

Summary of Institution-Specific Initiatives (GF \$ in millions)			
	FY 2025	FY 2026	Total Biennium
CNU - Captains Pathways for VCCS Students	\$0.3	\$0.0	\$0.3
CNU - IT Infrastructure Modernization	3.3	-	3.3
CNU - O&M for New Facilities Coming Online	0.8	-	0.8
CWM - Community Law Clinic	0.5	-	0.5
CWM - Gamage Democracy Fellowship	0.5	-	0.5

Summary of Institution-Specific Initiatives			
(GF \$ in millions)			
CWM - IT Infrastructure Modernization	4.1	-	4.1
CWM - James Monroe's Highland	0.5	-	0.5
CWM - Office of Student Veteran Engagement	0.2	-	0.2
CWM - Troops to Teachers	0.5	-	0.5
GMU - Operating Support	3.0	-	3.0
GMU - Small Business Development Centers	0.7	-	0.7
JMU - Expand Undergraduate Nursing	1.0	-	1.0
NSU - IT Infrastructure Modernization	4.1	-	4.1
NSU - Public and Private HBCU Collaboration	10.0	-	10.0
ODU - Operating Support	7.0	-	7.0
Radford - Healthcare Programs: Nursing	2.1	-	2.1
UMW - IT Infrastructure Modernization	3.5	-	3.5
UMW - Healthcare Programs: Nursing Workforce	0.7	-	0.7
UVA-Wise - Support Enrollment, Retention, and Tuition Moderation	0.5	-	0.5
VCCS - A. L. Philpott Manufact. Ext./GENEDGE Alliance	0.5	-	0.5
VCCS - Auto. & Building Maint. Skilled Trades Training	0.3	-	0.3
VCCS - Aviation Maint. Tech (AMT) Training at Blue Ridge and Danville	1.6	-	1.6
VIMS - Advanced Breeding Program for Shellfish	-	0.4	0.4
VIMS - Coastal Resilience Forecasting	-	0.5	0.5
VIMS - Virginia Sea Grant	0.6	-	0.6
VIMS - Water Quality Study	0.9	-	0.9
VMI - Enhance Academic Programs	0.3	-	0.3
VMI - Unique Military Activities	0.3	-	0.3
VSU - Public and Private HBCU Collaboration	10.0	-	10.0
VT - Healthcare Programs: School of Medicine - Physicians	6.5	-	6.5
VT - Unique Military Activities	0.3	-	0.3
VT - Ext - Equipment for Innovative Agriculture	0.8	0.0	0.8
Total	\$65.3	\$0.9	\$66.2

- **Christopher Newport University (CNU).** Provides \$4.4 million GF the first year, including \$300,000 for the Captains Pathways program to increase transfer opportunities for students enrolled at community colleges, \$3.3 million to support IT infrastructure modernization, and \$825,000 for operations and maintenance

(O&M) of the Integrated Science Center (an additional \$540,000 NGF from institutional funds are provided to support O&M).

- **College of William & Mary (CWM).** Provides \$6.3 million GF the first year, including \$500,000 for the Community Law Clinic, \$500,000 to support the endowment of the Gamage Democracy Fellowship at Colonial Williamsburg Foundation to support a residency for a William and Mary graduate, \$4.1 million to support IT infrastructure modernization, \$500,000 to James Monroe Highland to support operations, \$150,000 to the Office of Student Veteran Engagement, and \$521,000 for the Troops to Teachers program.
- **George Mason University (GMU).** Provides \$3.7 million GF the first year, including \$3.0 million in additional operational support and \$700,000 for the statewide support of Small Business Development Centers (SBDCs).
- **James Madison University (JMU).** Includes \$1.0 million GF the first year to support the “Fast Flex” nursing program.
- **Norfolk State University (NSU).** Provides \$14.1 million GF the first year, including \$10.0 million to expand the ongoing HBCU collaboration with VSU, Hampton, and Virginia Union and \$4.1 million for IT infrastructure modernization.
- **Old Dominion University (ODU).** Provides \$7.0 million GF the first year for additional operational support.
- **Radford University.** Includes \$2.1 million GF the first year to support the nursing program.
- **University of Mary Washington.** Provides \$4.2 million GF the first year, including \$3.5 million to support IT infrastructure modernization and \$740,000 for the Master of Science in Nursing (MSN) for nursing educators and nurse practitioners.
- **University of Virginia – Wise.** Provides \$500,000 GF the first year to support cost increases for enrollment growth and retention.
- **Virginia Community College System.** Provides \$2.4 million GF the first year, including \$1.6 million for aviation maintenance technician training at Blue Ridge and Danville Community College, \$250,000 for the automotive and building maintenance skilled trades training at Northern Virginia Community College, and

\$500,000 for the A.L. Philpott Manufacturing Extension/GENEDGE (an additional \$500,000 NGF is provided as a match).

- Includes 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 operating as GENEDGE Alliance.
- **Virginia Institute of Marine Science (VIMS).** Provides \$1.5 million GF the first year and \$910,772 GF the second year. Amounts the first year include \$585,000 for the Virginia Sea Grant Consortium and \$880,000 for a study of Water Quality in the Chesapeake Bay and its major tributaries.
 - Amounts the second year include \$425,104 and 2.9 positions to support the Aquaculture Genetics and Breeding Technology Center and \$484,668 and 4.0 positions to establish an environmental forecasting center to support coastal resilience efforts.
- **Virginia Military Institute (VMI).** Provides \$581,000 GF the first year, including \$256,000 to enhance academic programs and \$325,000 for unique military activities.
- **Virginia State University (VSU).** Includes \$10.0 million GF the first year to expand the ongoing HBCU collaboration with NSU, Hampton, and Virginia Union.
- **Virginia Tech (VT).** Provides \$6.8 million GF the first year, including \$6.5 million to support the expansion of the Carilion School of Medicine and \$325,000 for unique military activities.
 - Language is also included to authorize the Department of Medical Assistance Services to fully fund the state share of Medicaid supplemental payments and managed care directed payments to primary teaching hospitals affiliated with the VT School of Medicine.
- **Virginia Tech Extension – Agricultural Equipment.** Provides \$750,000 GF in one-time funding the first year to invest in innovative agricultural equipment.

– **Higher Education Centers**

- Provides \$1.1 million GF the first year to higher education centers, including the following:
 - **New College Institute (NCI) [Veto].** Provides \$500,000 GF the first year to support grants to address unmet financial need for students in programs related to fiber optics, global wind, telemental health, law enforcement, electrical, FAA drone operations, and education programs offered by Longwood University. Funds are also authorized to address staffing needs related to workforce programs, student resource coordination, and academic programs. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
 - **Roanoke Higher Education Center (RHEC).** Provides \$645,172 GF the first year, including \$441,172 for IT enhancements, \$73,000 for day porter services, and \$131,000 for security guard support.

– **Nongeneral Fund Spending**

- **Reflect Institution Expected Revenue and Other Authorization.** Includes a total of \$434.2 million in NGF spending. Of this amount, \$418.1 million is for adjustments to institutional budgets to reflect expected revenue and transfers to appropriate program accounts. The remaining amounts include \$15.0 million transferred from VCCS G3 balances to SCHEV to support the workforce credential grant program, \$500,000 at CNU as matching support for operations and maintenance of a new facility, and \$500,000 at VCCS as a federal match for GENEDGE.

Summary of Higher Education Nongeneral Fund Actions (\$ in millions)			
	FY 2025	FY 2026	Biennium
Adjustments to Align with Expected Revenue			
JMU –Sponsored Programs	\$0.0	\$1.6	\$1.6
Longwood - Sponsored Programs	-	0.2	0.2

Summary of Higher Education Nongeneral Fund Actions

(\$ in millions)

NSU – Auxiliary Enterprises	-	15.0	15.0
UVA – Medical Center – State Health Services	8.3	120.4	128.8
UVA – Instruction	-	24.6	24.6
UVA – Operations and Maintenance	-	10.8	10.8
UVA – Wise – Sponsored Programs	-	6.9	6.9
UVA – Wise – Instruction	-	1.4	1.4
UVA – Wise Auxiliary Enterprises	-	0.8	0.8
VCCS – Auxiliary Enterprises	-	(20.0)	(20.0)
VCCS – Economic Development Services	-	20.0	20.0
VCU – Higher Education Instruction (transfer to Student Assistance)	-	(21.0)	(21.0)
VCU – Student Financial Assistance (transfer from Instruction)	-	21.0	21.0
VCU – Sponsored Programs	-	31.0	31.0
VCU – State Health Services	-	15.0	15.0
VCU – Auxiliary Services	-	15.0	15.0
Virginia Tech – Higher Education Operating	-	40.5	40.5
Virginia Tech – Sponsored Programs	-	68.3	68.3
Virginia Tech – Student Financial Assistance	-	11.9	11.9
Virginia Tech – Auxiliary Services	-	17.9	17.9
VSU – Sponsored Programs (Federal Appropriation)	-	5.0	5.0
VSU – Sponsored Programs	-	1.5	1.5
VSU – Auxiliary Services	-	22.0	22.0
VSU – Extension – Federal Appropriation	-	1.0	1.0
VSU – Extension – Research and Public Services	-	0.4	0.4
SVHEC	-	(1.2)	(1.2)
Other Appropriations			
SCHEV – Workforce Credential Grant (Transfer VCCS G3 Surplus)	15.0	-	15.0
CNU – Operations & Maintenance of Integrated Science Center	0.5		0.5
VCCS – A.L. Philpott/GENEDGE	<u>0.5</u>	<u>0.0</u>	<u>0.5</u>
Total	\$24.4	\$409.8	\$434.2

Other Education

Amendments to Other Education (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$93.2	\$61.6	\$92.4	\$61.6
Adopted Increases	7.6	0.0	1.0	4.8
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$7.6	\$0.0	\$1.0	\$4.8
Chapter 725, as Enacted	\$100.8	\$61.6	\$93.4	\$66.4

– Gunston Hall

- **Programmatic and Financial Review.** Requires the Secretary of Education and Secretary of Finance to perform a programmatic and financial review of Gunston Hall, including a review of capital projects and ongoing operations, and to report findings by November 1, 2025, to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.

– Science Museum of Virginia

- **Operating Support.** Includes \$250,000 GF the second year and 3.0 positions to support education and security.

– The Library of Virginia

- **Print Collections Inventory Control Project.** Includes \$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.

- **State Aid to Local Libraries.** Provides \$632,142 GF the second year to support state aid to local libraries.
 - **Circuit Court Records Program.** Includes 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 Commission for the Arts**
- **Elegba Folklore Society.** Includes \$150,000 GF the first year to the City of Richmond for the Elegba Folklore Society to provide cultural education and enrichment through the arts.
 - **Grants.** Provides \$2.0 million GF the first year in additional funding for grants provided to arts organizations and businesses of the arts sector, including theatres, studios, museums, and additional venues.
- **Virginia Museum of Fine Arts**
- **Digital Education and Collection Resources.** Provides \$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.
- **Virginia Museum of Natural History**
- **Operating Support.** Includes \$73,000 GF the second year in additional operating support.

Finance

Amendments to Finance (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$2,158.2	\$672.4	\$2,187.3	\$673.5
Adopted Increases	1,408.6	0.2	19.4	0.8
Adopted Decreases	<u>(12.1)</u>	<u>0.0</u>	<u>(42.3)</u>	<u>0.0</u>
\$ Net Change	\$1,396.5	\$0.2	(\$22.9)	\$0.8
Chapter 725, as Enacted	\$3,554.7	\$672.6	\$2,164.5	\$674.3

– Department of Accounts

- **Add Additional Positions to Support Agency Operations.** Provides \$1.6 million GF and 11.0 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.
- **Fund Florence Neal Cooper Endowment for Sickle Cell Disease.** Adds \$500,000 GF the first year for deposit to the Florence Neal Cooper Smith Sickle Cell Research Endowment Fund, established by HB 2500 of the 2025 Acts of Assembly.
- **Fund Improvements to Information Technology.** Includes \$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.
- **Update on Cardinal Upgrades and Business Intelligence Application.** Directs the State Comptroller to provide an update on the functional upgrades to the

state's Cardinal accounting system and cost estimates to restore a business intelligence capability to the system.

– **Department of Accounts Transfer Payments**

- **Appropriate Revenue Reserve Fund Deposit.** Provides \$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 transfer adjustments in HB 1600 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.

– **Department of Taxation**

- **Provide Funding for Income Tax Relief.** Includes \$1.0 billion GF the first year for income tax rebates of \$200 for single filers and \$400 for married filers to be paid during fiscal year 2026, but no later than October 15, 2025. Budget language provides for this funding to be deposited into a non-reverting fund.
- **Fully Fund the Replacement of Revenue Management System.** Provides \$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. Language requires that funding for the new system is contingent on the contract including an electronic filing option for individual income tax filing that can be used by all Virginians. Budget language is included to allow the funds to carry over each year as the system is implemented and includes an annual reporting requirement.

- **Fund Replacement of Unsupported Information Technology Systems.** Includes \$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.** Adds \$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 adopted budget assumes a revenue increase of \$2.3 million GF from these positions in FY 2026.
- **Fund Administrative Costs for Tax Relief.** Includes \$763,000 GF the first year for the administrative costs at the Department of Taxation to provide income tax relief for working Virginians by issuing rebate checks or direct deposit.
- **Implement Security Initiatives.** Provides \$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 3.0 information technology security positions.
- **Fund Postage Cost Increase.** Adds \$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.** Provides \$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.** Amends 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 adopted budget includes \$2.0 million in GF revenue generated by reducing the amount of refund interest paid.
- **Study Unitary Combined Reporting and Market Based Sourcing.** Directs the Department of Taxation to study corporate income tax in Virginia, focusing on market-based sourcing for sales. The study will focus on the impacts to Virginia's economy and general fund revenue with the Joint Subcommittee on Tax Policy evaluating any potential fiscal implications.
- **Net Operating Losses Workgroup.** Directs the Department of Taxation to convene a workgroup to study Virginia's treatment of net operating losses ("NOLs") for corporate tax returns compared to other states and make recommendations. The workgroup will consider at a minimum: (i) transition rules to the proposed simplified method of determining net operating losses; (ii) the effective date of any such transition; and (iii) what legislative, regulatory, or guideline amendments would be necessary to best effectuate such transition.
- **Exempt Agency from Tobacco Inspection Requirements.** Exempts the Department of Taxation from provisions of the Code of Virginia that require the unannounced investigation of tobacco licensees every 24 months. HB 1946 includes an enactment clause establishing a work group to examine and make recommendations regarding tobacco enforcement over the coming year.

– Department of the Treasury

- **Fund Wrongful Incarceration Compensation Claims.** Adds \$9.0 million GF the second year to make payments to individuals that were wrongfully incarcerated and pursuant to corresponding legislation passed by the 2025 General Assembly. Language provides that no amounts provided are to be deducted for transition grants received. Out of the total amount: (i) \$398,655 GF is provided for the relief of Mr. Keshawn Clarence Duffy; (ii) \$5.8 million for the relief of Mr. Marvin Leon Grimm, Jr.; (iii) \$134,045 for the relief of Mr. Michael Haas; and (iv) \$2.6 million for the relief of Mr. Gilbert Merritt, III.
- **Fund Administrative Costs for Income Tax Relief.** Provides \$1.6 million GF the first year for the administrative costs at the Department of the Treasury to provide tax relief for working Virginians by issuing rebate checks or direct deposit.
- **Add Staffing for Trust Accounting Unit.** Provides \$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.** Includes \$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.** Provides \$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.
- **Unclaimed Property Administrative Cost.** Includes \$215,000 NGF the first year and \$600,000 NGF the second year to support costs associated with HB 1606 and SB 996 related to unclaimed property. These bills authorize the State Treasurer to make payments relating to unclaimed property without receiving a claim if the property is cash property up to \$5,000, the apparent owner is a natural person and the sole owner of such property, and the apparent owner has been identified by the State Treasurer.

- **Direction to Deposit Revenues as Required by Code of Virginia.** Directs the Treasurer to transfer funds related to the Regional Greenhouse Gas Initiative as required by § 10.1-1330 of the Code of Virginia.
- **Provide Jail Projects Bond Authority.** Adds 10 local and regional jail projects as eligible to receive reimbursement for the state's share of 25.0 percent. These projects are eligible to receive up to the maximum amounts listed. Such amounts are subject to Department of Corrections approval and, for those projects with a total cost exceeding \$12.0 million, to a cost review performed by DGS and approval by the Department of Planning and Budget in accordance with specified criteria. Reimbursement of these amounts would be supported by Virginia Public Bond Authority bonds. The following lists the approved projects.

Project	Maximum Capital Costs
Chesapeake Correctional Center	\$437,603
Chesterfield County Jail - Resubmittal	\$340,320
Montgomery County Jail	\$221,051
New River Valley Regional Jail	\$144,022
New River Valley Regional Jail - Resubmittal	\$321,177
Norfolk City Jail	\$843,243
Piedmont Regional Jail	\$411,855
Pittsylvania County Jail	\$15,076,753
Portsmouth City Jail	\$26,420,944
Prince William-Manassas Regional ADC	\$541,250
Total	\$44,758,218

– Treasury Board

- **Adjust Debt Service.** Captures \$12.1 million GF the first year and \$42.3 million GF the second year in savings for debt service payments for bonds

issued by the Virginia Public Building Authority and the Virginia College Building Authority.

Health and Human Resources

Amendments to Health and Human Resources (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$9,821.4	\$21,133.5	\$10,181.7	\$22,353.8
Adopted Increases	451.5	1,396.6	526.1	1,167.3
Adopted Decreases	(12.1)	(57.6)	(44.3)	(152.5)
\$ Net Change	\$387.4	\$1,339.1	\$481.9	\$1,014.7
Chapter 725, as Enacted	\$10,208.8	\$22,471.5	\$10,663.6	\$23,368.5

– Children’s Services Act

- **Fund Children’s Services Act Forecast.** Provides \$37.0 million GF the first year and \$63.3 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 limits annual growth in state reimbursement for the cost of private day special education services to 5.0 percent in FY 2026.
- **Increase Administrative Budget for Essential Functions.** Includes \$58,540 GF the second year in administrative funding to account for increases in contracting costs for information technology and risk management services.
- **Eliminate Supplemental Funding Model.** Eliminates 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 a 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 supplemental language are no longer needed to manage CSA appropriation at the local level. This change does not impact local match rates.
- **Add Reporting Requirement on Transition of Students from Private Day Special Education Schools.** Adds a reporting requirement for the Office of Comprehensive Services, in coordination with the Department of Education, regarding the transition of students from private day education services to local education agencies. The report will include: (i) recommendations made to each Local Education Agency (LEA) and progress made in improving the LEA's ability to serve students; (ii) an assessment of barriers to students returning to a LEA from a private day placement including instances when the LEA refuses or is unable to provide a less restrictive environment due to a lack of available transition services and recommendations for returning students to public school who are deemed eligible; and (iii) trends in behavioral and emotional diagnoses including students on home-based instruction that may require private day placements.

– Department for the Deaf and Hard-of-Hearing

- **Fund Interagency Contract Costs for Essential Administrative Services.** Includes \$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.** Provides \$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.** Adds 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 Grants for Drinking Water Projects.** Includes \$25.0 million GF the first year for the Department of Health (VDH) to provide one-time grants to localities to upgrade or replace existing drinking water infrastructure.
 - Requires localities to provide proof of at least a 25.0 percent match for the cost of a project to receive a grant.
 - Requires VDH to report to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees on the number of applications received for grants, the total grants and grant amounts awarded, the localities to which grants will be awarded and the description of drinking water infrastructure projects for which grant money will be used by December 1, 2025.
 - Allows VDH to use up to \$250,000 of the \$25.0 million GF for administration costs of providing the grants.
 - Authorizes any unused funds not expended by June 30, 2025, to be carried forward and reappropriated.

- **Fund Perinatal Health Hub Pilot Programs.** Provides \$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.
 - Directs VDH, in collaboration with the Virginia Neonatal Perinatal Collaborative and 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; (iv) a physical presence in the region where a hub will be located; and (v) a plan for future sustainability.
 - Directs VDH to 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.
 - Authorizes any unused funds not expended by June 30, 2026, to be carried forward and reappropriated.
- **Support for Compliance with Drinking Water Regulations.** Provides \$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 Emergency Response in Greensville County.** Provides \$1.3 million GF the first year to Greensville County to improve emergency response time for the Liberty Road community.

- Authorizes any unused funds not expended by June 30, 2025, to be carried forward and reappropriated.
- **Support for the Division of Disease Prevention.** Includes \$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 (STDs). 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 Non-Emergency Medical Transportation in Rural Areas.** Provides \$1.0 million GF the second year to the Virginia Community Healthcare Association to provide a pilot program to provide non-emergency medical transportation for uninsured Virginians, living in medically underserved or unserved areas in the catchment area of a federally qualified health center. Priority is to be given to serving individuals in rural localities.
- **Support for Home Care Organization Licensure Program.** Provides \$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.** Includes \$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.
- **Support for Perinatal and Postpartum Depression Education.** Provides \$553,200 GF the second year to fund the fiscal impact of HB 2446 which directs the Department of Health to establish a public awareness campaign, develop and distribute educational materials, and create an online resource hub focused on perinatal and postpartum depression.

- **Fund Local Health Department Rent Increases.** Provides \$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.** Includes \$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.
- **Fund Community Grants for Maternal Mental Health.** Provides \$500,000 GF the second year for VDH to contract with the Virginia Health Care Foundation to provide community grants to expand access to maternal mental health services through community organizations serving individuals residing in health care deserts or low-income communities and community organizations with less than \$5.0 million in annual revenue.
- **Funding for Federally Qualified Health Centers.** Provides \$500,000 GF the second year for VDH to contract with the Virginia Community Healthcare Association to use additional funding to enable Federally Qualified Health Centers to provide comprehensive medical, dental, maternal, and mental health services to vulnerable and uninsured Virginians.
- **Funding for Free Clinics.** Includes \$500,000 GF the second year to support operating costs of free clinics that are members of the Virginia Association of Free and Charitable Clinics to provide medical, dental, vision, speech, hearing, and behavioral health care, as well as prescription medications and substance use disorder services to uninsured and underinsured patients.
- **Support for the Free Clinic of Central Virginia.** Provides \$450,000 GF the first year to the Free Clinic of Central Virginia for the clinic to establish an emergency dental location and provide comprehensive dental treatment after a fire occurred

in its existing clinic. The one-time funding will be allocated to staff the dental clinic for 12 months, equipment and supplies, Virginia Commonwealth University dental student's housing, and the E.C. Glass High School externship program.

- Funding can only be used to cover costs that were not covered by the clinic's insurance.
- **Support for Intermediate Disciplinary Actions for Medical Care Facilities.** Provides \$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 adopted legislation.
- **Implement VDH JLARC Recommendations.** Provides \$300,000 GF the second year to VDH to implement recommendations from the Joint Legislative Audit and Review Commission (JLARC), including hiring at least 2.0 positions to support internal audit and information security audit functions. The agency's current position level is sufficient to accommodate these positions.
 - Language directs VDH to: (i) report on progress made on implementing the recommendations based on the Department of Planning and Budget's evaluation of VDH's grant management practices to the Joint Subcommittee on Health and Human Resources Oversight by September 1, 2025; and (ii) identify the causes for problems related to late payments and funding underutilization of VDH-administered nursing incentive programs, develop and implement a plan to address those causes, and report to the Joint Subcommittee on Health and Human Resources Oversight on its progress made on addressing the problems.
 - Language requires the State Health Commissioner to provide semi-annual written and in-person reports on the agency's progress implementing recommendations from JLARC to the Joint Subcommittee on Health and Human Resources Oversight through at least December 2026 and each year thereafter, until the Joint Subcommittee is satisfied with the implementation of the recommendations.

- **Establish Birmingham Green Workforce Development Training Center.** Provides \$150,000 GF the second year to Birmingham Green to establish the Birmingham Green Workforce Development Training Center to expand their current workforce development efforts to train Certified Nursing Assistants with new career training opportunities for its workforce and for staff from other health care operations.
- **Establish the Virginia Forensic Nursing Advisory Council.** Provides \$126,188 GF the second year and 1.0 position to fund the impact of HB 2088 and SB 1041, which establishes the Virginia Forensic Nursing Advisory Council to make recommendations on issues related to forensic examinations and sexual assault and domestic violence services.
- **Implement Rainwater Harvesting System Regulations.** Includes \$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.
- **Data Sharing with Prescription Monitoring Program.** Provides \$110,000 GF the second year to fund the impact of HB 1902, which requires data sharing from the All Payer Claims Database with the Prescription Monitoring Program to allow for the display of patient non-fatal overdose information in near real time at the point of prescribing. Requires VDH to include in its budget submission for the 2026-2028 budget, any necessary general fund requirements for ongoing support for the data sharing agreement.
 - A companion amendment in the Department of Health Professions provides funding for systems changes to the Prescription Monitoring Program through funding from the Commonwealth Opioid Abatement and Remediation Fund.
- **Expand Nurse Preceptor Program for CRNAs.** Includes \$100,000 GF the second year to increase funding for the Nurse Preceptor Incentive Program to increase the number of registered nurse clinical education opportunities in the field of anesthesiology. Language adds anesthesiology as a specific area in which to establish new preceptor rotations for nursing students.

- **Complete Opioid Impact Reduction Registry.** Provides \$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 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

- **Amend the State Pharmaceutical Assistance Program to Access HIV Prevention Medication.** Includes 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 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.** Increases 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.
- **Allow Changes to EMS Council Regional Boundaries.** Eliminates 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.
 - Requires the Board of Health to consult relevant stakeholders and existing councils before making any changes to regional EMS council boundaries.

- **Update Language for the Virginia Center for Health Innovation.** Provides language to specify the current funding allocation of \$816,750 GF each year for the Virginia Center for Health Innovation.
- **School Nurse Scholarships for LPNs to RNs.** Includes language allowing \$300,000 GF each year of existing nursing scholarship funds to be used for school nurse scholarships, as funding allows. The scholarship would help school-employed License Practical Nurses become Registered Nurses and while working as a school nurse.
- **Expand Mary Marshall Scholarship Program.** Directs VDH to expand the Mary Marshall Scholarship Program to increase the number of nurses coming into the profession to address significant shortages, including allowing humanitarian parolees as eligible participants and paying the fees for Virginians with nursing degrees from international education institutions to be credentialed in order to practice.
- **Northern Virginia Firefighter Cancer Screening Pilot.** Provides language authorizing carryover funding for the Northern Virginia Firefighter Occupational Cancer Screening Pilot Program from FY 2025 to FY 2026 in the event funds are not expended in the first year.
- **Workgroup on Nursing Home Licensing Fees.** Includes language requiring the Commissioner of Health to convene a stakeholder meeting to examine options for phasing in changes to nursing home licensure fees to cover the costs of operating the hospital and nursing home licensure and inspection program, prior to the establishment of or changes to licensure fees.

– **Department of Health Professions**

- **Appropriate Legal Proceeds.** Provides \$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.** Includes 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 (DMAS)**

Expenditure Forecasts

- **Medicaid Utilization and Inflation.** Provides \$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 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.** Includes \$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 last year's projection. 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.** Captures \$48.8 million GF in savings with a corresponding increase in NGF the first year and adds \$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.** Includes \$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.** Captures \$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.

Policy Changes

- **Expand Coverage of Obesity Medications in the Medicaid Program.** Provides \$6.9 million GF and \$39.8 million NGF the second year and language to expand Medicaid coverage for weight loss medications in the Medicaid program under certain instances. Weight loss medications can be prescribed in those instances: (i) where an individual has a body mass index (BMI) of 35 or greater; or (ii) where an individual has a BMI greater than 30 at the time of being prescribed the

requested weight loss drug and has at least one of the following weight-related comorbid conditions: hypertension, Type II Diabetes Mellitus, or Dyslipidemia. Additional requirements must be met to include the individual having tried a comprehensive lifestyle program for at least six months prior to the request for drug therapy. Current law allows coverage when a person has a BMI of 40 or above, or 35 and above if they have certain weight-related health conditions. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget, but the veto was not included in the final Chapter because the Keeper of the Rolls determined that it was not constitutional.

- **Increase Nursing Home Rates.** Includes \$10.0 million GF and \$11.7 million NGF the second year to increase Medicaid rates for nursing facilities. Currently, the Medicaid rate setting process assumes full direct care cost coverage for approximately 50.0 percent of the days for which Medicaid covers, with the remaining Medicaid days reimbursed below cost. This increase would move that to approximately 59.0 percent of Medicaid days reimbursed at full cost for direct care. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Fund Medicaid Coverage of Inpatient and Residential Neurobehavioral and Neurorehabilitation Facility Services.** Provides \$1.6 million GF and \$3.1 million NGF the second year to provide Medicaid coverage for neurobehavioral and neurorehabilitation facilities to support 20 individuals with traumatic brain injuries and neurocognitive disorders by no later than January 1, 2026. Language provides for the adoption of emergency regulations to affect this change.
- **Fund Mobile Maternal Health Clinics.** Includes \$1.3 million GF and \$1.3 million NGF the second year to create a Medicaid pilot program for mobile clinics within maternal health deserts in Virginia.
- **Increase Rates for Substance Use Disorder Services.** Adds \$1.1 million GF and \$7.0 million NGF the second year to support a 6.5 percent rate increase for substance use disorder services. These services include Office Based Addiction Treatment, Opioid Treatment Services, Partial Hospitalization Services, and Intensive Outpatient Services.

- **Midwife Reimbursement Parity.** Includes \$550,322 GF and \$782,108 NGF the second year to fund the costs to reimburse a licensed certified midwife or a licensed midwife at the same rate paid to a licensed physician or certified nurse midwife, which is at 100.0 percent of the physician fee schedule for covered services.
- **Continuous Glucose Monitoring Coverage.** Provides \$491,638 GF and \$1.5 million NGF the second year to fund Medicaid coverage for a Continuous Glucose Monitor (CGM) and related supplies for the treatment of a Medicaid enrollee under the Medicaid medical and pharmacy benefit.
- **Clarify Reimbursement for Tribal Health Clinics.** Captures \$30.4 million GF and \$7.0 million NGF in savings related to Medicaid reimbursement policies for payment of services provided to tribal and non-tribal members through Tribal Health Clinics. The November 2024 Medicaid Forecast recognized state costs for services provided to non-tribal members provided through tribal health clinics. Previously, the Department of Medical Assistance Services (DMAS) had assumed that services were only being provided to tribal members, which pursuant to federal law such Medicaid spending is reimbursed at 100.0 percent federal match. However, for non-tribal members the state must pay its normal match rate for costs. Since the tribal clinics are paid an enhanced rate for services provided, the state costs for non-tribal members are much higher than if served by a non-tribal clinic. The budget language directs DMAS to reimburse non-tribal members at the normal Medicaid rates to limit the impact on state funds. In addition, budget language provides that if federal approval is not granted to reimburse at normal Medicaid rates for non-tribal members, then DMAS must change its reimbursement for all Tribal Health Clinics to the regular Medicaid rates.

Other Spending

- **Authorize Implementation of 1115 Serious Mental Illness Waiver.** Provides \$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 a 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.

- **Analysis of Implementing a Medicaid Single Pharmacy Benefit Manager.** Provides \$500,000 GF and \$500,000 NGF the first year and language directing the Department of Medical Assistance Services to engage an independent consultant to conduct a comprehensive analysis of the costs and benefits and other considerations associated with the implementation of a single third-party administrator to serve as the pharmacy benefit manager for all Medicaid pharmacy benefits. Language provides authority to carryover funding for the analysis from FY 2025 to FY 2026 in the event the funds are not expended in the first year.
- **Fund Administrative Contract Costs.** Provides \$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.
- **Fund Pregnancy Mobile Application.** Includes \$159,500 GF the second year for the implementation of HB 1929 and SB 1393 passed during the 2025 Session, which directs the Department of Medical Assistance Services to create a membership-based mobile application available to prenatal, pregnant, and postpartum individuals who are eligible for Medicaid.
- **Ensure Compliance with State and Federal Developmental Disability Waiver Requirements.** Adds \$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.
- **Cover Pre-Release Medicaid Services for Justice Involved Youth.** Provides \$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.

- **Unbundle Long-Acting Injectables for Serious Mental Illness and Substance Use Disorder.** Includes \$320,499 GF and \$1.7 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.
- **Require Children Served in Psychiatric Residential Treatment Facilities to Remain Enrolled in Managed Care.** Adds \$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. 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.** Provides \$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 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. Its members include various stakeholders in health care, including several legislators.
- **Improve Medicaid Works Eligibility Application.** Adds \$235,000 GF and \$235,000 NGF the first year to amend the Medicaid application across all eligibility modalities to gather all necessary information to determine an applicant's eligibility for the Medicaid Works program, pursuant to the passage of HB 1804, during the 2025 Regular Session. Funding is provided in the first year to allow systems changes to begin to implement the legislation on time. Language provides authority to carryover funding from FY 2025 to FY 2026 in the event the funds are not fully expended in the first year.

- **Authorize Medicaid Supplemental Payments Dental Services at VCU School of Dentistry.** Provides \$3.5 million NGF the second year to provide Medicaid supplemental payments to the Virginia Commonwealth University (VCU) School of Dentistry for services provided by dentists it employs or with whom it contracts. VCU will provide the non-federal share in order to match federal Medicaid funds for the supplemental payments.

Language

- **Authorize Final Exempt Authority to Update Provider Rate Regulations.** Provides 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.** Includes 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 and Technical Changes.** Increases 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 residencies 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. Also, clarifies residency and fellowship slots at the Children's Hospital of the King's Daughters to accurately reflect the number of residency and fellowship slots funded through the program.
- **Specify Amount of Spending on Mail Room Operations.** Includes 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.** Modifies 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.** Includes 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. The hourly rate for adult day care services is limited to no more than six hours per day.
- **Clarify the Removal of Cost Sharing in Existing Appropriation Act Language.** Modifies 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.** Includes 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. In addition, language is added providing that the amounts withheld from the managed care rates for the Performance Withhold Program and the Clinical Efficiencies program shall be fully paid in FY 2025 to the Medicaid managed care organizations (MCOs). This is a one-year suspension to provide financial relief to the MCOs that are experiencing higher costs from increased acuity in the Medicaid population.
- **Workgroup to Evaluate Options to Account for Future Cost of Medicaid Initiatives.** Adds budget language for the Department of Medical Assistance Services to convene a workgroup with staff designees from the Department of Planning and Budget and the House Appropriations and Senate Finance and

Appropriations Committees to evaluate options for developing a process that recognizes the true costs of policy changes to the Medicaid program and how to integrate such process as part of the development of the state budget.

- **Establish Supplemental Provider Payment Requirements.** Directs the Department of Medical Assistance Services (DMAS) to establish objective and measurable performance measures for hospitals that are receiving private hospital enhanced payments to be effective, January 1, 2026. Specifically, DMAS must include requirements to ensure access to care by Medicaid members through network adequacy requirements to prevent a hospital from reducing its service offerings in a manner that would have an adverse impact on Medicaid members in the community. In addition, DMAS must include requirements to ensure improved coordination of care for behavioral health patients, including continued participation by hospitals in the acute bed registry.

DMAS will establish a process for measuring progress and may include a process to allow for corrective actions required for hospitals that do not achieve the specific performance measures established by DMAS. DMAS is authorized to measure progress toward these performance measures on a quarterly basis, unless DMAS determines that a specific measure is more appropriately measured on a longer timeframe. A hospital that does not achieve the specific performance measures established by DMAS and is not able to fulfill the necessary corrective actions in the timeframe required by DMAS, will lose eligibility for private hospital enhanced payments for the associated period as determined by DMAS.

- **Allow for Outside Legal Counsel for Medicaid Supplemental Payment Programs [Veto].** Allows public institutions participating in the private hospital supplemental payment program to hire legal counsel to assist in the complex legal arrangements necessary to participate in the program. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Workgroup on Value-Based Program Modifications.** Adds language directing DMAS to work with stakeholders to develop recommendations on modifying the timing and structure of the value-based payments that are made to nursing facilities based on the achievement of certain performance metrics.

- **Authorize a Medicaid Supplemental Payment for Virginia Tech Carilion School of Medicine.** Provides DMAS with the authority to implement supplemental Medicaid payments to teaching hospitals affiliated with the Virginia Tech Carilion School of Medicine based on the department's reimbursement methodology established for such payments and/or its contracts with managed care organizations. The state's share of funding for the supplemental payments will be provided by the Virginia Tech Carilion School of Medicine.
- **Medicaid Pharmacy and Therapeutics Committee Drug Recommendations.** Adds language requiring the Pharmacy and Therapeutics Committee to ensure that any non-opioid drug approved by the federal Food and Drug Administration shall be considered for safety and clinical efficacy and cost effectiveness, pursuant to requirements set forth in the Virginia Administrative Code. Language is also added requiring DMAS to conduct a fiscal impact review on recommendations from the Pharmacy and Therapeutics Committee that would result in changes to the program's Common Core Formulary. In addition, it requires that the Pharmacy and Therapeutics Committee include as part of its membership one physician or pharmacist from each contracted managed care organization.
- **Modify Poison Control Center Language.** Modifies language to redistribute funding for poison control center services from three centers to two. The National Capitol Poison Control Center is ceasing operations as of March 31, 2025, and the poison control centers operated by the two state teaching hospitals will provide poison control services to the Northern Virginia region.
- **Enhance Medicaid Fiscal Reporting and Transparency.** Adds language requiring more detailed reporting of Medicaid expenditures on a monthly basis to the Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. Current language in Chapter 2, 2024 Special Session I, requires monthly expenditure reports on the Medicaid program. This language requires service level details to be included. Language also directs DMAS to report on cost-effectiveness strategies for the Medicaid and the children's health insurance programs. Language requires a fiscal analysis of policy or programmatic changes to the Medicaid and children's health insurance programs and restricts implementation unless funding is authorized through an appropriation by the General Assembly,

a statutory requirement or federal law. In addition, language is added to provide greater transparency of Medicaid policy and programmatic changes on the Department of Medical Assistance Services' website.

- **Strengthen External Review to Improve Accountability.** Modifies the external financial review committee for Medicaid to enhance monitoring of expenditures and enrollment growth to determine the program's financial status on a comprehensive and regular basis.
- **Clarify Authority for Provider Rate Studies.** Clarifies that provider rate studies may only be conducted after specific authorization by the General Assembly. In addition, language authorizes a rate study of certain Developmental Disabilities Services required pursuant to the Permanent Injunction (Civil Action No. 3:12CV59-JAG).
- **Set Out Funding for Eligibility Processing Provided in 2024 Special Session I.** Adds language to set out the purpose of appropriation provided in last year's adopted budget related to improving processes for timely and accurate Medicaid eligibility determinations and redeterminations.
- **Provider Appeals Required Through Portal.** Provides authority for the Department of Medical Assistance Services to require provider appeals to be filed only online through the department's appeal portal.
- **Enhance Eligibility Process for Pregnant Women.** Directs DMAS to make efforts to ensure that pregnant women who apply for Medicaid coverage utilize the Cover Virginia call center, to the maximum extent possible, to reduce the processing time of the application and expedite the applicant into coverage.
- **Eligibility System Improvements.** Requires DMAS to develop cost estimates for the options proposed in the "Evaluation of Medicaid Eligibility Determination" report. In addition, DMAS and the Department of Social Services are directed to establish a formal joint Steering Committee on Medicaid Eligibility.

– **Department of Behavioral Health and Developmental Services (DBHDS)**

- **Fund Additional Developmental Disability (DD) Waiver Support Coordinators.** Adds \$8.7 million GF the second year for Community Services Boards (CSBs) to hire additional support coordinators. CSBs are the single point

of entry for waiver services and are the sole providers of waiver support coordination. Additional support coordinators are needed to handle the increased caseload due to the significant addition of DD waiver slots in the 2024-2026 biennium. This funding would support 96 additional support coordinators between the time they are hired and when they can carry a full caseload and begin billing Medicaid.

- **Fund Additional Crisis Co-Response Programs.** Includes \$6.0 million GF the second year to support 10 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 27 teams.
- **Provide Funding for Special Conservators of the Peace at Private Hospitals.** Provides \$4.1 million GF the second year and authority to allow 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 \$18.6 million GF to fund coverage in Regions One and Three, and in Region Five if funding is still available.
- **Provide Funding for Developmental Disability Services and Quality Assurance.** Includes \$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.** Adds \$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.** Provides \$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.** Adds \$2.3 million GF the second year to continue two regional pilot hubs and to expand the Adult Psychiatric Access Line 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.
- **Support Outpatient Competency Restoration.** Provides \$1.5 million GF the second year to reimburse Community Services Boards for the evaluations and restoration services, as well as clinician training to perform these services. This funding would cover the cost of 800 outpatient restorations at a cost of \$1,668 per case as well as training for six clinicians in every Community Services Board at \$55 per hour for eight hours.
- **Fund Administrative Costs of New Developmental Disability Medicaid Waiver Slots.** Adds \$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 supporting intensity scale evaluations and service authorization staff. The current Appropriation Act funds 3,440 new slots over the biennium.
- **Expand Behavioral Health Workforce Program.** Provides \$1.1 million GF the second year for DBHDS to contract with the Virginia Health Care Foundation to expand the Boost! program, formerly known as Boost 200. Boost! pays for supervisory hours and licensure exam preparation for individuals obtaining their Master of Social Work and Master of Counseling. This funding will add 60 more slots to the program, bringing the total to 383 slots.

- **Increase Support Pilot Programs for Individuals with Dementia and Geriatric Individuals [Veto].** Includes \$1.0 million GF the second year to increase support for pilot programs for individuals with dementia or geriatric individuals who may otherwise be admitted to a state facility. With this additional funding, total funding for this purpose is increased to \$2.7 million GF annually. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Fund Additional Forensic Evaluators.** Provides \$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.** Includes \$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.** Provides \$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.** Includes \$186,963 GF and 1.0 position the second year to enhance cybersecurity.
- **Fund Recovery Homes Workgroup.** Adds \$115,846 GF and 1.0 position the second year to support the workgroup, pursuant to SB 838, that requires the Secretary of Health and Human Resources to convene and to make recommendations regarding the creation of an oversight process of residential recovery homes and transparency in the credentialing process pursuant to the bill.
- **Support Regional Older Adults Facility Team Program.** Provides \$100,000 GF the second year to support the Regional Older Adults Facility Team (RAFT) in Northern Virginia to provide services to older adults with mental illness and dementia.
- **Increase Appropriation for Problem Gambling Programs.** Provides \$2.0 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. Budget language is added to report annually on the expenditure of funding from the Fund, including allocations to the Community Services Boards and to include a description of the purposes for which the funding is being used. The Department must evaluate best practices in treating program gambling that may include statewide initiatives to address the negative effects of problem gambling.

- **Transfer Funds for Assertive Community Treatment Program Evaluations.** Transfers \$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.** Modifies 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.** Modifies budget language that allocated \$15.0 million GF each year for school-based mental health services to be used for mobile clinics and to allow school divisions to contract for mental telehealth services 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.
- **Expand Definition of Community Housing.** Allows DBHDS to use the Behavioral Health and Developmental Services Trust Fund appropriation for community-based housing for any population currently served by DBHDS.

- **Allocate Funding for Mental Health Virginia Warmline.** Directs up to \$75,000 from the Crisis Call Center Fund to support the Mental Health Virginia Warm Line.
- **Align Substance Use Disorder Services with National Criteria.** Directs DBHDS to align and monitor the Commonwealth of Virginia's recovery support services, including services offered by recovery residences, and other similar providers with the nationally recognized American Society of Addiction Medicine (ASAM) 4th Edition criteria to ensure quality and consistency in care by June 30, 2026. These criteria would be made publicly available to all consumers and accessible on the DBHDS website.
- **Require Local Government Maintenance of Effort.** Requires local governments to maintain local contributions to the community services board year-to-year, absent an extreme hardship, unless a state appropriation is intended to supplant local funding. In addition, to waive the statutory 10.0 percent match requirement, a locality must demonstrate hardship in terms of reduced employment, per capita income, or property values (outside of changes in land use taxation).
- **Planning for the Future of Hiram Davis Medical Center.** Requires DBHDS to develop a plan for the closure of Hiram W. Davis Medical Center, including an analysis for the development of skilled nursing beds at Southeastern Virginia Training Center to care for the patients at Hiram W. Davis Medical Center or in other facilities operated by DBHDS in need of that level of care.
- **Study Central State Hospital Historical Records Retention Feasibility.** Directs DBHDS to: (i) identify a suitable building on the Central State Hospital (CSH) campus for storage of historical patient records for patients at CSH; (ii) determine the costs associated to renovate the identified building(s) to meet archival standards for humidity, light, heat, and air conditioning; and (iii) identify the costs for a repository for historical records from all mental health institutions in the Commonwealth.

– **Department for Aging and Rehabilitative Services**

- **Fund Building Improvements for an Eastern Shore Human Services Facility.** Provides \$1.3 million GF the first year for a new metal roofing system for Hare Valley School in Northampton County and other building improvements, such as

window replacement or replacement of the heating, ventilation, and air conditioning system. The building houses the Eastern Shore Area Agency on Aging and Community Action Agency Inc. and other human services organizations. Language provides authority to carryover funding from FY 2025 to FY 2026 in the event the funds are not fully expended in the first year.

- **Increase Support for Areas Agencies on Aging.** Includes \$750,000 GF the second year to cover increased costs for providing current services for the Area Agencies on Aging and to meet the increased demand for services such as home care and transportation.
- **Increase Brain Injury Community Services [Veto].** Provides \$750,000 the second year for community services for individuals with brain injury. Community service providers continue to have wait lists for services and struggle to meet existing service needs of this population that requires specialized supports. This funding will support the existing state-contracted safety net brain injury services system to provide for increased statewide coverage of critical services and strengthen existing programs to include: hiring additional case managers and clinical professional staff, equipment and information technology modernization, statewide awareness and education efforts, and other critical supports to meet the growing demands for brain injury services across the state. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Fund Brain Injury Services Workforce Retention [Veto].** Adds \$600,000 GF the second year for workforce retention for brain injury service providers, bringing the total to \$1.4 million in fiscal year 2026. Chapter 2, 2024 Acts of Assembly, Special Session I, provided \$775,000 in each year of the 2024-26 biennium for this purpose. State contracted brain injury providers report high attrition and difficulty filling open positions because of non-competitive salaries and benefits, resulting in negative impacts on the delivery of programs and services and meeting client needs. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Fund Villages Exchange.** Includes \$400,000 GF the second year to be provided to the County of Fairfax to support the Washington Area Villages Exchange for the

creation of a pilot program to reduce the public health risk of social isolation among older Virginians by expanding the availability of Villages to additional sites. Villages are a proven means of combatting isolation while enabling older adults to age in place and live safely and independently in their homes.

- **Expand Interdisciplinary Plan of Care and Dementia Case Management.** Adds \$400,000 GF the second year to expand the interdisciplinary plan of care and dementia case management to two Area Agencies on Aging located in Richmond and Roanoke to serve 200 individuals diagnosed with dementia. Language requires an annual report on the status of the programs and results.
- **Increase Support for Centers for Independent Living.** Provides \$300,000 GF the second year to provide independent living skills training, peer mentoring, information and referral, advocacy, and transition services to people with significant disabilities. Funds will help provide for the increase in demand for these services and increases in the cost of doing business. Each of the 17 Centers for Independent Living will receive an increase of \$17,647.
- **Adjust Vocational Rehabilitation Appropriation to Reflect Increase in Federal Grant.** Provides \$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.** Includes \$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.** Modifies budget language to combine 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 (DSS)**

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.** Includes \$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. The 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.
- **Increase Support for Community Action Agencies.** Adds \$2.0 million NGF the second year from the TANF block grant to increase support for local Community Action Agencies (CAAs). This increase will hold CAAs harmless from any reductions resulting from a new locality designation into the state network of CAAs.
- **Increase Child Advocacy Center Funding.** Adds \$1.0 million NGF the second year from the TANF block grant to increase funding for child advocacy centers to provide a comprehensive, multidisciplinary team response to allegations of child abuse in a dedicated, child-friendly setting.
- **Support for Cornerstones.** Provides \$250,000 NGF the second year from the TANF block grant to support Cornerstones to address the rising needs for safe and stable housing, food security, quality childcare, youth enrichment, and family self-sufficiency.
- **Support for Visions of Truth.** Includes \$200,000 NGF the second year from the TANF block grant to contract with the Visions of Truth Community Development Corporation to support the Students Taking Responsibility in Valuing Education (STRIVE) suspension and dropout prevention program.

- **Increase Funding for Northern Virginia Family Services.** Adds \$125,000 NGF the second year from the TANF block grant to Northern Virginia Family Services to provide services that address the needs of families in crisis, including providing food, financial assistance, access to health services, and workforce development.

Other General Fund Actions

- **Fund Increase in Contract Costs for Income Verification for Public Benefits.** Provides \$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 language requiring 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.
- **Fund CASA Welcome Centers [Veto].** Provides \$4.0 million GF the first year to Prince William County to support one-time renovation costs of the Prince William and Fairfax Welcome Center operated by CASA. Funds may be used to enhance accessibility features and create new training spaces. The Governor's veto was sustained during the Reconvened Session.
 - Allows funds to be carried forward if not expended by the end of FY 2025.
- **Enhance Electronic Identity Validation Efforts.** Provides \$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.** Includes \$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. Language directs DSS to integrate information that is required to be included in the Opioid Impact Reduction Registry at VDH.

- **Address Increased Procurement Workload.** Provides \$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.
- **Expand Kinship Service.** Adds \$300,000 GF the second year for DSS to expand the existing program with current providers to find relative and fictive kin at the time of entry into foster care or when an out-of-home placement is needed before entry into foster care.
- **Support for Latisha's House.** Provides \$300,000 GF the first year to the City of Williamsburg to support Latisha's House, which provides long-term, transitional housing for adult, female survivors of sex trafficking. Funding will allow the organization to fill more beds, expand infrastructure, and acquire land.
- **Funding for Tonsler League.** Adds \$250,000 GF the second year to the City of Charlottesville for the Tonsler League, which operates sports leagues and community events to help serve the community's under-resourced population.
- **Funding for the Hallow by Samaritan House.** Provides \$200,000 GF the second year to the City of Virginia Beach to develop a multipurpose sports court for residents of the Hallow by Samaritan House. The Hallow is the first trafficked youth shelter in Coastal Virginia and the court will provide enrichment for the youth.
- **Support for Lorton Community Action Center.** Includes \$200,000 GF the second year to Fairfax County for the Lorton Community Action Center to provide low-income individuals, senior citizens, and families with rental assistance.
- **Fund Hanover County Master Plan.** Includes \$150,000 GF the second year to Hanover County to develop and complete its Health and Human Services Master Plan to address the increasing need for long-term planning and high-level human services policy setting and to serve as a resource to address human services needs for individuals in the county.

- **Support for Anna Sudha Community Kitchens.** Provides \$50,000 GF the second year to Loudoun County for Anna Sudha Community Kitchens which addresses food insecurity through innovative programs and services.

Nongeneral Fund Adjustments and Language

- **Appropriate Benefits for the Summer Electronic Benefits Transfer Program.** Provides \$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.
- **Appropriate Anticipated Federal Energy Assistance Revenue.** Includes \$12.0 million 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.
- **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.
- **Fund Addiction Treatment Navigator.** Provides \$400,000 NGF the second year from the Commonwealth Opioid Abatement and Remediation Fund for DSS to create an Addiction Treatment Navigator to assist individuals seeking treatment for substance use disorder.
- **Transfer Child Care Employees to the Virginia Department of Education.** Transfers 7.0 positions in the first and second year from 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.** Provides 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.
- **Assess Services for Survivors of Child Trafficking.** Includes language directing DSS to develop a strategic plan that provides an analysis and recommendations on how to best provide services to survivors of child trafficking and provide the plan to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2025.
- **Capture Auxiliary Grant Savings.** Captures \$1.0 million in balances in the first year in the Auxiliary Grant program within DSS.
- **Process for MOUs for Kinship Care.** Includes language directing DSS, in consultation with stakeholders, to develop a process for Virginia localities to enter into memorandums of understanding with localities in surrounding states for the purposes of providing kinship care.
- **Assess Federal Benefits for Foster Youth.** Provides language directing DSS to assess the feasibility of requiring local departments to apply for federal benefits for foster children and require local departments to conserve such benefits in an appropriate trust instrument. Requires DSS to report its findings to the Chairs of the House Appropriations, House Finance, and Senate Finance and Appropriations Committees by November 1, 2025.
- **Expand Application Window for LIHEAP.** Includes language directing the State Board of Social Services to promulgate regulations to allow applications for the Low-Income Home Energy Assistance Program (LIHEAP), a program to help Virginia families pay their energy bills, to be submitted year-round.

- **Transition Electronic Benefit Transfer Cards to Chip Cards.** Adds \$1.5 million GF and \$1.5 million NGF the second year for DSS to begin the process of transitioning electronic benefits transfer cards to chip-enabled cards in a cost-effective manner to reduce fraud and stolen benefits.
- **Virginia Board for People with Disabilities**
 - **Fund Interagency Contract Costs for Essential Administrative Services.** Includes \$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.** Includes \$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.** Provides \$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.
 - **Expand Radio Reading Services.** Provides \$20,000 GF the first year for a one-time appropriation for Virginia Voice, a Richmond-based radio reading service, to support its expansion into the Southwest Virginia region, giving access to critical services for people with vision impairments.
 - **Increase Enterprise Nongeneral Fund Appropriation.** Adds \$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.** Provides 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
Chapter 725, as enacted

	<u>FY 2025</u>	<u>FY 2026</u>
TANF Resources		
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>
Total TANF Resources Available	\$204,618,078	\$183,065,379
TANF Mandated Services		
<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
TANF State/Local Operations	69,569,090	69,557,605
<i>Address Increased Procurement Workload</i>	-	37,256
<i>Enhance Electronic Identify Validation Efforts</i>	-	15,600
<i>Increase Appropriation for Local Operations</i>	<u>1,648,311</u>	<u>1,648,311</u>
Subtotal Mandated Services	\$112,560,512	\$102,356,810
TANF Programming		
Healthy Families/Healthy Start	\$9,035,501	\$9,035,501
Community Employment & Training Grants	7,250,000	Move to GF
<i>Community Action Agencies (CAAs)</i>	9,250,000	11,250,000
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
<i>Child Advocacy Centers</i>	2,136,500	3,136,500

TANF Block Grant NGF Funding
Chapter 725, as enacted

	<u>FY 2025</u>	<u>FY 2026</u>
<i>Northern Virginia Family Services</i>	2,000,000	2,125,000
Laurel Center	1,250,000	1,250,000
Earned Income Tax Credit (EITC) Grants	635,725	635,725
FACETS	350,000	350,000
<i>Visions of Truth STRIVE Program</i>	150,000	350,000
Transit Passes	500,000	500,000
United Community	1,200,000	1,200,000
Lighthouse Community Center	500,000	500,000
<i>Cornerstones</i>	750,000	1,000,000
Family Restoration Services in Hampton	-	-
Portsmouth Volunteers for the Homeless	-	-
Menchville House	-	-
Good Shepherd Housing and Family Services	<u>200,000</u>	<u>200,000</u>
Subtotal TANF Programming	\$50,929,518	\$43,254,518
Transfers to other Block Grants/Cost Avoidance	\$15,825,500	\$15,825,500
Total TANF Expenditures & Transfers	\$179,315,530	\$161,436,828

Labor

Amendments to Labor (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$20.1	\$756.9	\$18.3	\$753.3
Adopted Increases	0.1	<0.1	0.9	15.5
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	0.1	<0.1	0.9	15.5
Chapter 725, as Enacted	\$20.2	\$756.9	\$19.3	\$768.8

– Department of Labor and Industry

- **Headquarters Rent Increase.** Includes \$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.** Provides \$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 (DWDA)

- **Expand Re-Entry Placement Pilot Program.** Provides \$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.

- **Regional Healthcare Talent Pipeline.** Includes \$500,000 GF the second year for the Hampton Roads Workforce Council to launch a regional healthcare talent pipeline to mitigate ongoing healthcare labor challenges.
- **Transfer Trade Adjustment Program.** Transfers \$10.0 million NGF the second year from the Department to reflect administration of the fund and program by the Virginia Employment Commission.

– **Virginia Employment Commission**

- **Unemployment Insurance Wage Data.** Directs the Commission to complete the Unemployment Wage Data Project by December 31, 2025, to improve the analysis of labor market outcomes for education and training programs.
- **Appropriate Administrative Fee Revenue.** Provides \$13.0 million NGF 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.** Includes a \$10.0 million NGF transfer the second year to re-establish the Trade Adjustment Assistance Fund with the Virginia Employment Commission. A corresponding appropriation reduction is provided for DWDA.

Natural and Historic Resources

Amendments to Natural Resources (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$615.2	\$472.4	\$210.5	\$404.2
Adopted Increases	142.7	-	27.1	5.6
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	142.7	0.0	27.1	5.6
Chapter 725, as Enacted	\$757.9	\$472.4	\$237.6	\$409.8

– Secretary of Natural and Historic Resources

- **Water Quality Improvement Fund Workgroup.** Directs the Secretary of Natural and Historic Resources to establish a workgroup to review and make recommendations relating to the Water Quality Improvement Fund, including the organizational structure, updates to improve transparency, allocation of funding, and the use of the reserve fund and interest.

– Department of Conservation and Recreation

- **Water Quality Improvement Fund (WQIF).** A total of \$93.7 million GF from excess FY 2024 revenue collections and agency balances is statutorily designated for the WQIF. Of this amount, \$26.3 million GF is provided for the Department of Conservation and Recreation, including:
 - \$8.9 million designated for deposit to the WQIF reserve; and
 - \$17.4 million is transferred to the Virginia Natural Resources Commitment Fund for agricultural best management practices needs in the next biennium.

- **Community Flood Preparedness Fund [Veto].** Provides an additional \$50.0 million GF the first year for deposit to the Virginia Community Flood Preparedness Fund, bringing the total deposit to \$150.0 million GF in FY 2025. The fund supports grants and loans for community-scale resiliency planning and projects statewide. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Environmental Literacy [Veto].** Provides \$500,000 GF the second year for environmental literacy and environmental educator professional development. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Increase District Oversight and Assistance.** Includes \$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.** Provides \$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.
- **Quantico Creek Restoration [Veto].** Includes \$1.0 million GF the first year to the Town of Dumfries in Prince William County for flood mitigation and restoration of Quantico Creek. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Lake Barcroft Dam.** Provides \$500,000 GF the first year to the Lake Barcroft Watershed Improvement District in Fairfax County to complete engineering and design for a flood mitigation project.
- **Lake Anna Cyanobacteria.** Includes an additional \$250,000 GF the first year for cyanobacterial mitigation and remediation at Lake Anna, bringing the funding to \$750,000 GF for the biennium.

- **Agricultural Best Management Practices Funding Distribution.** Permits the Virginia Soil and Water Conservation Board to reallocate funding that is not able to be obligated by June 15th to any soil and water conservation district for conservation practices, regardless of the watershed served by the district.
- **Falkland Conservation Area Master Plan.** Provides \$350,000 GF the second year to develop the Falkland State Conservation Area Master Plan and conduct a restoration assessment for the Syndor House Lodge.
- **Biscuit Run Walking Trail [Veto].** Includes \$1.3 million GF the first year for design and construction of an accessible walking trail to connect Biscuit Run Park with the Southwood community redevelopment project. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Conservation Officers' Retirement.** Provides \$553,000 GF the second year to support inclusion of Conservation Officers in the Virginia Law Officers' Retirement System.
- **Optimize State Park Revenue.** Includes \$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.
- **Enhance Capital Outlay Management.** Provides \$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.

– **Department of Environmental Quality**

- **Shenandoah River Monitoring.** Includes \$500,000 GF the first year for U.S. Geological Survey monitoring of algal blooms in the Shenandoah River.
- **Inland Waterways Algal Bloom Testing.** Provides \$250,000 GF the first year for the Department, in coordination with the Division of Consolidated Laboratory Services, to test inland waterways for the presence of harmful algal blooms.

- **Groundwater Research [Veto].** Includes \$2.3 million GF the first year to expand groundwater research in the Eastern Virginia Groundwater Management Area. The funding includes support for multi-well research stations and a study to determine technically feasible locations to recommend water treatment upgrades modeled on the Hampton Roads Sanitation District SWIFT project. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Combined Sewer Overflow Project Funding.** Shifts half of the funding, \$25.0 million GF, from the first year to the second year of the support provided for the Richmond Combined Sewer Overflow project in Chapter 2, 2024 Acts of Assembly, Special Session I. In combination with other actions, the budget provides \$100.0 million GF over the biennium for the project.
- **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 provided 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, bringing the total support for the upgrade to \$100.0 million GF over the biennium.
- **Richlands Regional Water Treatment Facility.** Provides \$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.** Includes \$53,600 GF the second year for an anticipated increase in membership contribution for the Commission.
- **Balance Reappropriation.** Directs reappropriation of general fund balances at the end of each fiscal year for the City of Richmond's Combined Sewer Overflow project and the Pay-for-Outcomes water quality initiative.

- **Remove Reporting Language.** Removes obsolete language related to localities submitting stormwater utility reports to the Auditor of Public Accounts. Identical language was removed from Item 2 in Chapter 2, 2024 Acts of Assembly, Special Session I.
- **Delay Construction Deadlines.** Delays construction deadlines for specific wastewater treatment plant upgrade projects in the City of Fredericksburg and Spotsylvania County and requires semi-annual reporting to monitor progress.
- **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.** Provides \$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.
- **Wildlife Corridors.** Includes \$450,00 GF the first year to fund high priority wildlife crossing projects in accordance with the Commonwealth’s Wildlife Corridor Action Plan.
- **Increase Game Protection Fund for Invasive Species Management.** Reflects a Part 3 transfer increase of \$775,000 from the general fund to the Game Protection Fund to support activities related to invasive species management as authorized by Chapter 2, 2024 Acts of Assembly, Special Session I.
- **Increase Game Protection Fund for Boat Ramp Safety.** Reflects a Part 3 transfer increase of \$14,000 from the general fund to the Game Protection Fund for security and safety improvements at the Foxhill Boat Ramp on Dandy Road in Hampton.

– **Department of Historic Resources**

- **Additional Administrative Assistance.** Provides \$300,000 GF the second year and 2.0 positions for Department operational support.

- **BIPOC Fund.** Includes an additional \$500,000 GF the first year for the Black, Indigenous, and People of Color Historic Preservation Fund for a total of \$1.5 million GF in FY 2025.
- **African American Cemeteries and Graves.** Provides an additional \$750,000 GF the first year for deposit to the African American Cemetery and Graves Fund for a total support of \$1.3 million GF over the biennium.
- **Modify Tribal Internship Language.** Expands the allowable use of the tribal internship funding to include grants, consultation, and training and includes activities related to identification and protection of indigenous cultural properties and historic resources as allowable activities.
- **Lynching Sites Memorialization.** Provides \$76,008 GF the first year for identification and memorialization of historical lynching sites.
- **One-Time Support for Historic and Cultural Attractions.** Includes an additional \$8.9 million GF in FY 2025 to support six historic and cultural attractions, including the following:

Summary of Additional One-Time Support for Historic and Cultural Attractions (GF \$ in millions)	
	<u>FY 2025</u>
Titustown Historic Survey, City of Norfolk	\$0.1
Hume School, Arlington County	<0.1
African American Cultural Center, City of Virginia Beach	1.0
Douglass Cemetery, City of Alexandria	0.5
Flood Protection Measures for Jamestown, James City County	8.0
St. Paul's College Museum and Archives, Brunswick County	<u>0.2</u>
Total	\$8.9

– **Marine Resources Commission**

- **Retrofit Office Space and Increase Building Safety.** Includes \$150,000 GF the first year for safety upgrades and workplace enhancements at the Commission's main office in Fort Monroe.
- **Transfer Shallow Water Dredging.** Transfers \$4.0 million NGF from the Virginia Port Authority and provides 1.0 position for the administration of shallow water dredging projects that are awarded grants from the Virginia Waterways Maintenance Fund, pursuant to HB 1834 of the 2025 Session.
- **Clarify Submerged Bottomlands Interest.** Provides language to clarify the City of Norfolk's interest in the use of state-owned submerged bottomlands for a waterpipe in the Elizabeth River. The clarification is necessary to relocate the pipe as part of the Army Corps of Engineers Coastal Storm Risk Management Project.

– **Capital Projects for Natural Resources**

- **Wastewater Treatment Upgrades [Veto].** Part 2 retains \$200.0 million each year in VPBA tax-supported debt authorizations for Water Quality Improvement Fund eligible wastewater projects, previously authorized in Chapter 2, 2024 Acts of Assembly, Special Session I. The enrolled budget bill provided debt authorization for an additional \$31.2 million the first year to support the projects, and the Governor's veto of this authorization was sustained during the Reconvened Session.

Public Safety and Homeland Security

Amendments to Public Safety and Homeland Security (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$2,644.5	\$463.3	\$2,623.6	\$460.9
Adopted Increases	19.5	-	22.7	11.5
Adopted Decreases	<u>(0.2)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$19.3	0.0	\$22.7	\$11.5
Chapter 725, as Enacted	\$2663.8	\$463.3	\$2,646.4	\$472.4

– Department of Corrections

- **Increase in Inmate Healthcare Costs.** Provides \$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.** Includes \$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, provides \$650,000 million GF the second year for the estimated prison bedspace impact of 26 pieces of legislation that are projected to increase the number of state-responsible inmates.
- **Expand Dental Services for Inmates.** Includes \$467,283 GF the second year to expand mobile services that support routine dental care, such as fillings and tooth extractions, for inmates. The amount is estimated to be sufficient to cover one

three-person team, including one-time equipment costs of \$78,990 and an offset of \$78,000 to account for the potential reduction of the current mobile dental team contract.

- **Community Corrections Electronic Monitoring Tools.** Provides \$905,000 GF the second year to expand electronic supervision of probationers using 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.
- **Jail Project Approval Language.** Modifies the Department of General Services' (DGS) review process that is required for local and regional jail construction, renovation, and expansion projects to receive state reimbursement of up to 25.0 percent of project costs by (i) exempting projects of \$12.0 million or less from DGS review and (ii) providing DGS discretion in determining which forms and information is necessary to complete the DGS cost review. These changes streamline the new DGS cost review that was added to the approval process for partial state reimbursement of jail project costs in 2022.
- **Unit Relocation Notification Language.** Requires the Department of Corrections to notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees at least 60 days before relocation of a unit to another facility or, if temporary relocation is necessary due to extenuating emergency circumstances, no more than seven days after the temporary relocation.

– **Department of Criminal Justice Services (DCJS)**

- **Community Violence Reduction Grants Expansion [Veto].** Provides \$350,000 GF the first year and \$5.5 million GF the second year to increase grants awarded from the Firearm Violence Intervention and Prevention (FVIP) Fund and the Safer Communities Program. New grants include:

- \$350,000 the first year from the FVIP Fund to support a one-time grant for the VICTOR Program, a gun violence prevention pilot program in Newport News;
- \$2.0 million the second year from the FVIP Fund for the City of Chesapeake, including up to \$250,000 for allowable equipment for a Real Time Crime Information Center. (Of this amount \$500,000 GF is from an increase in the FVIP Fund appropriation and the remaining amount is available from expiring grants to Norfolk and Portsmouth); and
- \$5.0 million the second year to expand the Safer Communities Program to the cities of Hampton and Newport News, with a minimum award of \$2.5 million per locality.

The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

- **Local Law Enforcement Civil Commitment Transportation.** Includes \$2.0 million GF the first year for contracts with local law enforcement agencies to reimburse time spent transporting individuals under temporary detention orders or emergency custody orders, with priority given to localities whose agencies must travel far distances to transport an individual 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.
- **Sexual Assault and Domestic Violence Services Agencies.** Includes \$2.0 million GF the second year for grants to sexual assault and domestic violence agencies (SDVA). SDVA grants through the Victim Services Grant Program, including both non-competitive and competitive grants, totaled \$20.1 million in FY 2025 compared to \$28.3 million in FY 2022, largely due to the decline in federal Victims of Crime Act Funding.
- **Victim Witness Grant Program.** Provides \$1.5 million GF for the Victim Witness Grant Program.
- **Local Drone Replacement.** Provides \$1.0 million GF the first year for a new Unmanned Aircraft Trade and Replace Program. The program will provide grants to local law enforcement, fire and ambulance service, or other first responder

agencies to replace drones manufactured or assembled by foreign adversaries with drones that are not manufactured or assembled by certain entities that pose a national security risk, as defined in the 2024 National Defense Authorization Act.

- The 2025 National Defense Authorization Act directed certain federal national security agencies to determine whether communications and video surveillance equipment from two Chinese companies, DJI Technologies and Autel Robotics, should be added to the Federal Communications Commission covered list, which would prohibit new equipment from being imported, marketed, sold, or operated in the United States.
- **YWCA Richmond.** Provides \$500,000 GF the first year for start-up operational costs for a public-private campus to serve survivors of domestic violence in Richmond, Chesterfield, and Henrico, including strategic planning, evaluation of safety protocols, and hiring and training of personnel in advance of alternative revenue sources becoming available.
- **Online Testing Module.** Includes \$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 DCJS 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.
- **HB 2594 – Security for Organizations At-Risk of Hate Crimes.** Includes \$273,350 GF and 1.0 position the second year to establish statewide best practices for the provision of security at nonprofit institutions that serve individuals and communities at risk of hate crimes. The amount includes \$150,000 for the one-time cost of hiring a subject matter expert and \$123,250 for a full-time employee.
- **HB 2033 – Human Trafficking Awareness Training for Alcoholic Beverage Control (ABC) Licensees.** Provides \$106,516 GF the second year to develop an online course for ABC to offer to retail licensees and their employees on recognizing and reporting instances of suspected human trafficking training, pursuant to HB 2033. The amount includes \$50,000 for one-time development costs and \$56,516 for a wage employee to review training, provide assistance, and periodically update courses.

- **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.
- **School Resource Officer Incentive Grants Fund Balances [Veto].** From nongeneral fund cash balances in the School Resource Officer (SRO) Incentive Grants Fund, designates up to \$6.2 million the second year, dependent on grant applications, for the digital mapping program for public colleges and universities, which supports visual communication technology and collaboration tools to coordinate emergency response, and up to an additional \$1.5 million for fifth- and sixth-year SRO continuation grants. The intent is to best utilize existing cash balances for one-time purposes and for the fifth- and sixth-year grants to be a temporary exception to the four-year grant period. As of January 2024, the SRO Incentive Grants Fund had \$22.3 million in unobligated cash balances. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

– **Department of Emergency Management**

- **Emergency Response Systems Craig, Bath, and Highland.** Provides \$2.8 million the first year for critical local emergency response system upgrades, including \$2.0 million for Craig County, \$396,000 for Bath County, and \$396,000 for Highland County.
- **HazMat Disaster Response Fund Line of Credit Payment.** Includes \$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 reimbursements that were assessed against parties that contributed to hazardous materials incidents but have been deemed uncollectable by the Office of the Attorney General (OAG) after all steps by the 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).** Provides \$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.** Includes \$5.0 million GF the first 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. 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.** Provides \$229,430 GF and 2.0 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.
 - Language directs the Department of Fire Programs, in cooperation with specified state entities, to conduct an assessment of fire inspection fees and submit a report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Director of the Department of Planning and Budget no later than October 17, 2025, with a joint recommendation from the Virginia Fire Services Board and the Board of Housing and Community Development on whether the fees should be adjusted based on the market cost and projected additional fee revenue. The report is in addition to a similar assessment required by Chapter 2, 2024 Acts of Assembly, Special Session I, which was due to the Chairs no later than November 1, 2024, but as of March 2025 had not been formally submitted.
- **Virginia Beach Fire Services.** Includes \$200,000 GF the second year for the City of Virginia Beach to support costs related to the provision of fire support services.

- **Fire Programs Fund Positions.** Provides 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.

– **Department of Forensic Science**

- **Forensic Biologists.** Includes \$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.** Provides \$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.
- **Mary Jane Burton Serology Study.** Includes \$108,000 GF and 1.0 position the second year to provide support to the Virginia Crime Commission study and review panel on certain cases handled by Mary Jane Burton, pursuant to SB 1465 and HB 2730, 2025 Session of the General Assembly.

– **Department of Juvenile Justice**

- **Cost Increases for Committed Youth.** Provides \$1.8 million GF the first year and \$1.3 million GF the second year to address reported cost increases related to youth in state custody.
 - The \$1.8 million is to partially cover reported cost increases related to admissions and placement. Comparing FY 2024 to FY 2019, the average daily population in central admission and placement (CAP) has increased despite a lower number of admissions. Additionally, according to the Department, the per day rate charged by local juvenile detention center for CAP services increased from \$175 to \$200 on July 1, 2023, with an additional \$15 charged for youth staying longer than 90 days.

Central Admissions and Placement Population (Number of Youth)		
	Average Daily Population	Admissions
FY 2019	35	335
FY 2020	26	233
FY 2021	19	163
FY 2022	10	147
FY 2023	15	178
FY 2024	56	204

- The \$1.3 million is to partially cover reported cost increases for contracted services. The Department anticipates an increase of \$1.6 million in FY 2026, which includes approximately \$1.2 million for pre-placement services and approximately \$420,000 for a 10.0 percent rate increase to align with increased Medicaid payment rates for certain services.
- **Increase Security Position Salaries.** Provides \$1.0 million GF the second year for a \$2,231 across-the-board salary increase for the Department of Juvenile Justice security positions, or residential specialists. The amount is based on the difference between the entry level salary for juvenile correctional specialists (\$44,100) and Department of Correction's correctional officers (\$46,331). The amount is intended to help address recruitment and retention challenges at the Department.
- **Language for the Authority to Study Potential Local Partnerships to Increase Juvenile Correctional Center Capacity.** Includes 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.** Provides \$2.5 million GF the second year to provide partial support for the FY 2026 step adjustment for the sworn officer pay plan.
 - Language directs the Department to report to the staff directors of the House Appropriations and the Senate Finance and Appropriations Committees and the Director of the Department of Planning and Budget by September 15, 2025, on turnover and vacancy savings realized in FY 2024 and FY 2025.
- **Additional LiveScan Machines.** Includes \$1.5 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 funding is intended to assist the agencies who are most in need of modernization.
 - 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.
- **Foreign Adversary Drone Replacement.** Provides \$1.0 million GF the first year to support the replacement of drones manufactured or assembled by foreign adversaries with drones that are not manufactured or assembled by certain entities that pose a national security risk, as defined in the 2024 National Defense Authorization Act.
- **HB 2723 and SB 1466 – Criminal Record Sealing Systems Changes.** Includes \$886,171 GF the first year and \$687,830 GF the second year for programming changes to the Criminal and Rapback Information System (CRIS) to support the legislation's changes related to eligibility and dissemination criteria for sealed criminal records.
- **HB 2724 – Automatic License Plate Recognition Systems.** Provides \$318,251 GF and 1.0 position the second year to support the provisions of HB 2724, which relates to regulation of automatic license plate recognition systems. The bill requires the Virginia State Police to aggregate and report data on the use of systems, necessitating a data collection analyst and system updates to the Community Policing Act repository and Incident Based Reporting database.

- **HB 1728 – Closed-Circuit Television (CCTV).** Includes \$200,000 GF the second year to support implementation of HB 1728, which expands the criteria for minor victims and witnesses to be eligible to use remote testimony in a court hearing. The Department anticipates needing up to three part-time CCTV technicians at a cost of \$321,730 to address the workload increase from expanded access. However, the Office of the Executive Secretary of the Supreme Courts notes that many courts have access to the alternative remote testimony technology allowed by the legislation, reducing reliance on CCTV services provided by the Department.
- **Remove Funding for Vetoed Legislation.** Removes \$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.** Includes \$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.** Provides 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.** Increases 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.** Provides \$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

Amendments to Transportation (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$215.5	\$10,999.3	\$110.0	\$10,702.3
Adopted Increases	253.2	316.2	-	410.4
Adopted Decreases	<u>0.0</u>	<u>(4.1)</u>	<u>(84.5)</u>	<u>(112.5)</u>
\$ Net Change	\$253.2	\$312.1	(84.5)	298.0
Chapter 725, as Enacted	\$468.6	\$11,311.4	\$25.5	\$11,000.2

– **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**

- **Update Commonwealth Aviation Fund Allocations.** Includes language changing the Commonwealth Aviation Fund allocations, as follows:

- 6.0 percent to the Metropolitan Washington Airports Authority (MWAA); and
- Of the remaining amount: (i) 50.0 percent to commercial airport sponsors as entitlement funds based on the number of enplanements, other than MWAA; (ii) 40.0 percent to commercial service and regional business airports as discretionary funds; and (iii) 10.0 percent to community business and local service airports as discretionary funds.
- Requires the Department of Aviation to submit a report on the amounts each airport in the Commonwealth is to receive under the updated allocation amounts to the Chairs of the House Appropriation and Senate Finance and Appropriations Committees by November 1, 2025.
- **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 (DMV)**

- **Support Mainframe Replacement Project.** Provides \$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 to five years.
- **Authorize Credit Card Convenience Fee.** Includes language allowing 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.** Includes 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. Language specifies DMV cannot exceed the state rental rate.
- **Review of the DMV Select Program.** Includes language requiring DMV to conduct an analysis of the DMV Select Program to evaluate its potential impact on participating localities and report its findings to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by December 1, 2025.

– **Department of Motor Vehicles Transfer Payments**

- **Update Appropriation for Increased Payments.** Increases 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.** Shifts \$76.7 million GF of operating support for the Washington Metropolitan Area Transit Authority (WMATA) from FY 2026 to FY 2025 and removes all remaining funds from FY 2026, reflecting a savings of \$7.8 million GF.
- **Support Hampton Roads Transit [Veto].** Includes \$200,000 GF the first year to Hampton Roads Transit for a one-time transit investment. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

– **Virginia Department of Transportation (VDOT)**

- **Update Revenues to Reflect Financial Plan.** Updates agency appropriations by an increase of \$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.** Provides \$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.
- **Complete Highway Equity Study [Veto].** Includes \$250,000 GF the first year for VDOT to complete study of the impact of the development of the Commonwealth's highway systems on African American communities. The study will include spatial and health analyses, the effects of discriminatory practice, and recommendations for reparative actions and equitable infrastructure planning.

The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

- **Clarify Toll Relief Language.** Amends language for the state-supported toll relief program authorized by Chapter 2, 2024 Acts of Assembly, Special Session I.
 - Language clarifies 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 will restrict eligibility to individuals whose primary residence is in Norfolk and Portsmouth and remove individuals from Newport News, Hampton, and Franklin.
 - Language allows 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 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 also requires 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.** Eliminates 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.
 - Language eliminates 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.

- **Authorize the Sale of Five Properties.** Includes language to authorize the sale of five 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, the Yellow Branch Area Headquarters property in Campbell County, the Atlee Maintenance Lot in Hanover County, and the Off Route 623 Adjacent Highway Property in Hanover County.

– **Department of Transportation Transfer Payments**

- **Update Appropriations for Regional Transportation Programs.** Provides 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.** Updates 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.** Provides \$1.0 million GF the first year to support dredging Back Creek off the York River in York County.
- **Funding for NOAA PORTS.** Directs \$325,000 NGF the first year for the state match of up to 12 National Oceanic and Atmospheric Administration (NOAA) Physical Oceanographic Real-Time Systems (PORTS) stations in the southern Chesapeake Bay.
- **Virginia International Gateway Terminal.** Authorizes the Virginia Port Authority to issue additional bonds to ensure operational and investment control of the Virginia International Gateway Terminal, located in Portsmouth.

- **Transfer Responsibility for Small Dredging Projects.** Removes \$4.0 million NGF the second year to support shallow dredging projects. Language transfers responsibility for these projects to the Virginia Marine Resources Commission.
- **Funding for a Dredging Project at Wallops Island.** Directs \$8.0 million the first year from the Transportation Partnership Opportunity Fund to be used to support a dredging project at Wallops Island to enable barges to deliver rockets and other materials to the launch and the facilities.

Veterans and Defense Affairs

Amendments to Veterans and Defense Affairs (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$80.2	\$181.1	\$57.0	\$181.1
Adopted Increases	2.5	3.9	0.4	1.0
Adopted Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	\$2.5	\$3.9	\$0.4	\$1.0
Chapter 725, as Enacted	\$82.6	\$185.0	\$57.4	\$182.1

– Department of Veterans Services

- **New Veterans Care Centers.** Provides \$1.7 million GF and \$3.0 million NGF 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). The source of the nongeneral funds is the Jones & Cabacoy Veterans Care Center Special Fund, which had \$3.0 million in cash balances from an unexpended FY 2024 treasury loan going into FY 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. The Department submitted the business plan on February 18, 2025.
- **Information Technology (IT) Systems.** Includes \$812,142 GF the first year and \$241,721 GF the second year to support development, maintenance, and security of the agency's IT systems. The amount includes:
 - \$500,000 GF the first year and \$131,579 GF the second year for the Virginia Veterans Network online portal, offset by removing \$150,000 in the base for the Gold Standard Digital Hub;
 - \$157,603 GF each year for IT infrastructure maintenance;
 - \$102,539 GF each year for IT security tools; and
 - \$52,000 GF in one-time funding to add text messaging capabilities to the Veteran Engagement and Scheduling Application System.
- **NGF Veterans Care Center Positions.** Provides 6.0 positions the second year to allow the 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 Services Foundation**

- **Increase Grant Writer Hours.** Includes \$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.** Provides \$12,000 GF the second year to cover costs associated with website security compliance.

– **Department of Military Affairs**

- **Expand “STARBASE” Youth Program (NGF).** Includes \$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).** Provides \$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.

Central Appropriations

Amendments to Central Appropriations (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$253.1	\$53.4	\$431.1	\$53.4
Adopted Increases	10.0	9.4	66.2	-
Adopted 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
Chapter 725, as Enacted	\$260.7	\$62.8	\$496.0	\$53.4

– Central Accounts Distributions

- **Fund State Employee and State-Supported Local Employees Bonus.** Includes \$83.1 million GF the first year to provide a 1.5 percent bonus to state employees and state-supported local employees on June 16, 2025. Employees in the Executive Department subject to the Virginia Personnel Act will only receive the bonus payment if they have attained an equivalent rating of at least "Contributor" on their performance evaluation and have no active written notices under the Standards of Conduct within the preceding twelve-month period. The governing authorities of the state institutions of higher education may provide a bonus for faculty and university staff based on performance and other employment-related factors, if the bonuses do not exceed the average. State-supported locals include: (i) locally elected constitutional officers; (ii) general Registrars and members of local electoral boards; (iii) full-time employees of locally-elected constitutional officers; and (iv) full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court service units, local social services boards, local pretrial services act and Comprehensive Community Corrections Act employees, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.
- **Fund Agency Health Insurance Premium Costs.** Provides \$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.** Includes \$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.** Provides \$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.** Adds \$7.5 million GF the second year for state agency rent costs in facilities operated by DGS. 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.** Captures \$1.9 million GF the first year and adds \$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.
- **Adjust Funding for Compensation and Fringe Benefit Distributions for Old Dominion University and Eastern Virginia Medicaid School Merger.** Provides \$2.6 million GF the second year to update the funding for Central Appropriations distributions for salary increases and health insurance premium changes to cover added costs associated with the Old Dominion University (ODU) and Eastern Virginia Medicaid School (EVMS) merger. As part of the merger into ODU, the EVMS employees became state employees.
- **Fund Inauguration and Transition for Statewide Elected Offices.** Includes \$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.** Captures \$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.** Reduces \$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.** Captures \$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 1st each year based on changes in the Consumer Price Index.
- **Contingent Surplus Reservations.** Adds budget language to contingently reserve \$20.0 million from any fiscal year 2025 surplus after any constitutionally mandated deposit to the Revenue Stabilization Fund for Virginia Military Survivors and Dependents Education Program waivers, and reserves all remaining surplus funds not required for the Revenue Stabilization Fund or the Water Quality Improvement Fund for the General Assembly to address the impacts of potential federal funding reductions.
- **Revert Surplus General Fund Balance.** Includes budget language requiring the Director, Department of Planning and Budget, to revert residual general fund balances of \$994,429 GF in Central Accounts.
- **Remove Clean Energy Innovation Bank Language [Veto].** Eliminates language in the budget adopted last year related to the Clear Energy Innovation Bank since the bill was vetoed by the Governor in the 2024 Session. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

- **Deposit Previous Appropriation into Mass Violence Care Fund.** Deposits \$10.0 million GF previously appropriated for victims of mass violence in Chapter 1, 2023 Acts of Assembly, Special Session I, to a Mass Violence Care Fund, from which amounts shall not be spent until the General Assembly has adopted a structure for administering the fund.
- **Sets Out the Second Year Tech Talent Distribution [Veto].** Provides that, notwithstanding any other provision of law, Memorandum of Understanding (MOU) or provisions therein, funds awarded for the biennium shall be issued based on the amounts set out in a table and will not be reduced. The State Council of Higher Education for Virginia and the Virginia Economic Development Partnership, in consultation with staff representatives from participating institutions, the Senate Committee on Finance and Appropriations, the House Committee on Appropriations, the Secretary of Finance, and the Secretary of Education, must review the methodology to determine any award reduction amounts based on performance and provide recommendations to the Secretary of Finance and designated reviewers. The revised methodology must be communicated to institutions including a list of frequently asked questions at least one year prior to implementing the change. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

Independent Agencies

Amendments to Independent Agencies (\$ in millions)				
	FY 2025		FY 2026	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2024-26 Budget (Ch. 2, 2024 Special Session I)	\$36.2	\$2,761.0	\$78.2	\$2,842.4
Adopted Increases	-	7.5	-	357.6
Adopted 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
Chapter 725, as Enacted	\$36.2	\$2,768.6	\$78.2	\$3,200.0

– State Corporation Commission

- Fund Defrayal Costs for Mandated Coverage of Pediatric Disorders PANDAS and PANS.** Provides \$23,625 GF the second year to implement the provisions of HB 1641, pursuant to its passage during the 2025 Regular Session, to defray the cost of mandating qualified health plans to cover the diagnosis and treatment of pediatric autoimmune disorders associated with streptococcal infections (PANDAS) and pediatric acute-onset neuropsychiatric syndrome (PANS). The funding defrays the costs to include the coverage provided through qualified health plans sold through Virginia's Insurance Marketplace, the state's health benefit exchange.
- Fund the Commonwealth Health Reinsurance Program.** Reduces \$25.0 million GF the first year and \$47.0 million GF the second year for the Commonwealth Health Reinsurance Program based on the most recent estimates of federal funding, which indicates less need for state general fund amounts to support the program in fiscal year 2025 and fiscal year 2026. Also, language is included to unallot \$20.0 million GF the second year to revert to the general fund, which is also state funding that is not needed. Provides \$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.** Includes \$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.
- **Fund Administrative Impact of Legislation.** Provides \$800,000 NGF the second year for the associated administrative costs of legislation impacting the State Corporation Commission passed in the 2025 Session.

– **Virginia Lottery**

- **Fund an Increase in Player Prize Payouts.** Provides \$200.0 million NGF for online lottery winnings to account for the increased player prize payouts.
- **Address Increase in Operational Costs.** Includes \$23.4 million NGF the second year for increased operation costs directly related to the sale of lottery products.

– **Commonwealth Savers Plan**

- **Clarify Appropriation Authority.** Adds language that limits the appropriation for the Commonwealth Savers Plan to its legislative appropriation except for routine operational adjustments. Also, prohibits the Commonwealth Savers Plan from entering any contracts or obligations to support college access initiatives beyond those already under commitment as of June 30, 2025.

– **Virginia Retirement System**

- **Fund Administrative Costs of Legislation.** Provides administrative funding to effectuate the provisions of HB 1705, HB 1815, SB 1142, and SB 950 of the 2025 General Assembly Session.

– **Virginia Alcoholic Beverage Control Authority (ABC)**

- **Reduce Net Profit Transfer.** Reduces the transfer from 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.
- **Fund Increased Tobacco Investigations.** Provides \$150,000 NGF the second year from the Electronic Nicotine Delivery Systems Fund to support additional unannounced investigations of retailers in the business of selling liquid nicotine or nicotine vapor products.

– **Opioid Abatement Authority**

- **Fund Anticipated Revenues and Awards.** Provides \$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 three new grants to appropriate COAR funds in other agencies.

Capital Outlay

Capital Outlay Funding (\$ in millions)			
Fund Type	Chapter 2, 2024 Special Session I	HB 1600 Amendments	Chapter 725, 2025 Session
General Fund	\$951.7	\$1,043.2^	\$1,994.9
VPBA/VCBA Tax-Supported Bonds	900.9	71.2*	972.1
9(c) Revenue Bonds	124.3	206.1^	330.4
9(d) Revenue Bonds	9.3	24.5^	33.8
Nongeneral Fund Cash	<u>771.3</u>	<u>596.8</u>	<u>1,368.1</u>
Total	\$2,757.5	\$1,941.8	\$4,699.3
*During the 2025 Reconvened Session, two vetoes affecting capital outlay were sustained and reduce tax-supported debt by \$71.2 million. ^ The Governor vetoed an additional five items after the Reconvened Session, affecting \$691.3 million GF, \$144.8 million NGF, and \$24.5 million in 9(d) revenue bonds.			

The amendments to the capital outlay budget for the 2024-26 biennium total \$1.9 billion from all funds, including a net \$1,043.2 million in general fund supported projects, \$596.8 million in nongeneral fund cash, \$24.5 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	\$31.2	\$0.0	\$0.0	\$109.1
Maintenance Reserve	-	-	-	-	0.0
Improvements / Renovations / Deferred Maintenance	419.2	40.0	97.5	-	556.7
New Construction	345.0	-	110.0	230.6	685.6
Acquisition	136.1	-	380.2	-	516.3
Planning	50.5	-	9.1	-	59.6
Equipment	<u>14.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>14.5</u>
Total	\$1,043.2	\$71.2	\$596.8	\$230.6	\$1,941.8
* May not sum due to rounding.					

– Stand-Alone Projects

- **Department of General Services (DGS) Commonwealth Courts Building Planning.** Includes \$14.5 million GF for 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 (Six-PAC) pursuant to the language in Chapter 2, 2024 Acts of Assembly, Special Session I.
- **DGS New State Office Building.** Authorizes existing funds to plan for a new State Office Building at the VDOT Annex site (1401 East Broad Street). The project scope is 316,000 square feet, based on the DGS study required in Chapter 2, 2024 Acts of Assembly, Special Session I. DGS is to update Six-PAC, prior to December 15, 2025, on the estimated size, cost, and timeline for construction, including options for a state employee childcare facility. The existing project for a building at 7th and Main St. has \$22.1 million appropriated with \$16.7 million in unspent appropriation.

Language authorizes DGS to dispose of the 7th and Main Street site at a fair market value with the proceeds going to the general fund after January 30, 2026. VDOT is also directed to transfer the VDOT Annex to DGS, with DGS assuming operations no later than November 1, 2025. Prior to demolishing the VDOT annex for the site of the new state agency building, DGS plans to use the Annex for transition space for elected officials and to accommodate renovations in the Patrick Henry Building.

- **DGS James Monroe Building Tenants.** Provides \$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. Language requires DGS to submit a relocation plan to Six-PAC for approval, to include: (i) relocation space for each state agency; (ii) anticipated renovation costs of each identified space; (iii) anticipated impacts to the rent plan and parking fund; and (iv) conferencing space for agencies prior to completion of a new state agency building. Language removes the prohibition on moving 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 DGS to review the potential relocation of the Office of Fleet Management Services (OFMS), currently located at the property at 2400 West Leigh Street in the City of Richmond. The review is to include locations and potential consolidation with the Virginia State Police and any other sizeable state fleet operations in the Richmond area. The report is to be provided to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2025.
- **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 [Veto].** Provides an additional \$12.3 million GF for an umbrella project at George Mason University to address deferred maintenance needs. This brings total funding to \$28.3 million. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **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.** Provides \$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.** Provides \$8.6 million GF for Norfolk State University to improve campus security, including fencing, lighting, emergency call station installation and improvements, as well as property acquisition. Any land acquisition must be directly adjacent or in the near vicinity of the campus.
- **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.** Provides \$4.4 million GF and \$650,000 NGF for University of Mary Washington to improve energy infrastructure, efficiency, and sustainability.
- **VCCS Workforce Trades and Innovation Center.** Provides \$750,000 GF for state support of a Workforce Trades and Innovation Center at Paul D. Camp Community College.
- **VCCS Construct Aviation Maintenance Technician Facility.** Provides \$2.5 million GF to support construction of an Aviation Maintenance Technician Facility at Danville Community College.
- **VSU Property from VCU.** Authorizes Virginia Commonwealth University (VCU) to transfer the First Baptist Church to Virginia State University (VSU) for the purpose of use as a museum. VSU must enter into a binding agreement with VCU that provides that if VSU discontinues using the property for academic, historic preservation or museum purposes or conveys the property other than by lease to Virginia Union University, then the title to the property will revert to VCU.
- **VSU Improve Life Safety.** Provides \$6.6 million GF for Virginia State University to improve life safety across academic buildings.
- **SMV Community Green Space.** Includes \$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.
- **SWVHEC Property Transfer from VHCC.** Directs Virginia Highlands Community College to transfer ownership of a parking lot to the Southwest Virginia Higher Education Center without consideration.
- **DBHDS Renovate, Repair, and Upgrade Facilities.** Provides \$32.3 million GF for umbrella type renovations, repairs, and upgrades at three Department of Behavioral Health and Developmental Services (DBHDS) facilities. These include: \$18.2 million for an HVAC replacement at Catawba Hospital; \$10.1 to address security, access control, and window replacement at Southwestern Virginia Mental Health Institute; and \$3.0 to convert 10 existing beds at the Southeastern Virginia Training Center to accommodate a skilled nursing level of care.

- **DBHDS NVMHI Replacement.** Directs DBHDS to create a workgroup to review and recommend placement for a replacement Northern Virginia Mental Health Institute. The workgroup shall include representatives from DGS, public stakeholders, and other partners as necessary to make the best determination of the appropriate location of a future facility.
- **DCR State Park Acquisition.** Includes \$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.
- **DCR Deferred Maintenance for State Parks [Veto].** Provides \$20.0 million GF for an umbrella capital project at the Department of Conservation and Recreation to address the backlog of deferred maintenance at Virginia's state parks. From this umbrella project, two projects are directed with these funds: \$1.8 million to renovate lodging facilities at Breaks Interstate Park and \$300,000 for breach remediation at Jones Pond in Caledon State Park. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **DOC HVAC Improvements and Installations [Veto].** Provides \$25.0 million GF for an umbrella project to upgrade to install adequate heating, ventilation, and air conditioning at Nottoway Correctional Center. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **Port Virginia International Gateway Terminal Lease.** Authorizes the Virginia Port Authority to issue up to \$350.0 million in bonds to ensure operational and investment control and set the fixed price option for the privately owned Virginia International Gateway in Portsmouth at the end of the lease term in 2065.
- **DMV Maintenance Reserve.** Includes \$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, but the rental rate cannot exceed the state rental rate if rented to state agencies.

- **DVS Veterans Cemetery.** Includes \$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 assists with cash flow during the reconstruction of the flagpole area and service shield at each cemetery.

Improvements: Veterans Cemeteries		
	NGF	Treasury-Loan
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>
Total	\$6,160,000	\$1,200,000

- **Department of Military Affairs Army Aviation Support Facility.** Provides \$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

- **Maintenance Reserve.** Transfers \$60.0 million GF from the second year to the first year for maintenance reserve allocations. Targeted increases are included for the Department of General Services, Virginia State University, Virginia Museum of Fine Arts, University of Virginia-Wise, Gunston Hall, and Roanoke Higher Education Center.

- **2025 Public Educational Institution Pool [Veto].** Provides \$626.0 million GF, \$144.8 million in NGF higher education operating funds, and \$31.5 million in 9(d) revenue bonds for ten higher education projects. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.

2025 Public Educational Institution Capital Pool	
Agency	Project
William and Mary	Replace Law School Central Utility Plant
University of Virginia	Construct Center for the Arts
Virginia Tech	Expand Virginia Tech-Carilion School of Medicine and Fralin Biomedical Research Institute
Virginia State University	Renovate Virginia Hall
Longwood University	Replace Roof, Windows, and External Doors Lankford Hall
James Madison University	Renovate Johnston Hall
Virginia Commonwealth University	Acquire Altria Building
Virginia Community College System	Renovate Amherst/Campbell Hall, Central Virginia
Virginia Institute of Marine Sciences	Construct Marine Operations Administration Complex
Institute for Advanced Learning and Research	Expand Center for Manufacturing Advancement
Total \$626.0 million GF \$144.8 million NGF \$24.5 million 9(d) revenue bonds	

- Clarifies the scope for the Renovate Virginia Hall (18757) project at Virginia State University to include the renovation of four smaller campus buildings (Colson Hall, Lindsay Montague, Johnella Jackson, and Memorial Hall) to relocate staff from Virginia Hall. Language allows DGS to serve as project management for the Virginia Hall project.
- Language directs VCU to either remit lease payments above the actual operating costs of the Altria building to the general fund or reduce the general fund portion of the purchase price equal to the amount of such excess lease payments while VCU leases space in the building to Altria or any other entity

not related to VCU or the Virginia Commonwealth University Health System Authority.

- **2025 State Agency Pool.** Includes \$106.6 million GF for eight state agency projects. Language modifies 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, 2021 Acts of Assembly, Special Session I.

2025 State Agency Capital Pool	
Agency	Project
Department of State Police	Acquire Division Six Headquarters
Department of General Services	Carillon Tenant Improvements
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
Total \$130.5 million GF	

- **Stormwater Local Assistance Fund [Veto].** Provides \$40.0 million in VPBA tax-supported debt the first year to the Stormwater Local Assistance Fund to provide matching grants to local governments for the planning, design, and implementation of stormwater best management practices. The Governor’s veto was sustained during the Reconvened Session.
- **Wastewater Treatment Upgrades [Veto].** Retains \$200.0 million each year in VPBA tax-supported debt authorizations for Water Quality Improvement Fund eligible wastewater projects, previously authorized in Chapter 2, 2024 Acts of Assembly, Special Session I, and increases the debt authorization by \$31.2 million

the first year to reflect cost overruns and increases for these projects. Item 470 K.2. of Chapter 2, 2024 Acts of Assembly, Special Session I, contingently committed \$400.0 million from the FY 2024 general fund revenue surplus on the FY 2024 preliminary balance sheet to swap the \$400.0 million in tax-supported bond proceeds for general fund cash; however, during the 2025 Session, the General Assembly decided to appropriate this contingent surplus for other one time uses. The Governor’s veto was sustained during the Reconvened Session; however, the Governor’s veto only applies to the \$31.2 million debt authorization since the project’s debt is authorized in Chapter 2, 2024 Special Session I.

- **Capital Equipment Pool.** Includes an additional \$14.5 million GF for equipment purchases for projects nearing completion and supports four projects.

Capital Equipment Pool Additions	
Agency	Project
Longwood University	Wygal 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)
Department of Agriculture and Consumer Services	Expand regional animal health laboratories in Harrisonburg, Lynchburg, and Warrenton (18664)

- **Planning Pool.** Includes \$32.7 million GF and \$9.1 million NGF from replenished Central Capital Planning Funds to support detailed planning of ten projects and three preplanning studies.

Planning Pool Additions	
Agency	Project
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
College of William and Mary	Renovate Ewell Hall
Virginia State University	Construct BOLT Leadership Center for Social Responsibility
Radford University	Construct Roanoke Academic Building
Old Dominion University	Address Oceanography Building Deferred Maintenance
Christopher Newport University	Replace Military Sciences Building
Virginia Community College System	Replace Buchanan and Tazewell Halls, Southwest Virginia CC
Department of Behavioral Health and Developmental Services	Food Service Renovations Statewide

- Transfers \$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.
- Transfers \$250,000 GF to the Central Capital Planning Fund to authorize pre-planning for replacement of Johnston Memorial Library at Virginia State University.
- Transfers \$250,000 GF to the Central Capital Planning Fund to authorize pre-planning to renovate the Learning Resource Center at Virginia Highlands Community College.
- Language establishes the scope of the Department of General Services' (DGS) project to replace the Consolidated State Laboratory at a 298,875 gross square feet lab facility with the option to include space to locate Department of Health pharmacy operations. The Department of Transportation (VDOT) is to transfer 21.2 acres at 9120 Lockwood Boulevard in Hanover County to DGS for the site

of the facility by December 31, 2025. VDOT must then surplus the remaining 11.4- and 15.3-acre portions with the proceeds used to supplement and support existing maintenance and capital needs or any remaining funds deposited to the Transportation Trust Fund.

- 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 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.** Includes language allowing the existing 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.** Provides \$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.** Includes \$10.9 million GF to the 2022 State Agency Capital Pool to provide sufficient funding for the pool to support planning through working drawings for the replacement of the State Police Training Academy after scope approval by the Six-

Year Capital Outlay Plan Advisory Committee. Previous planning funds of \$2.5 million provide sufficient funding for the project to progress fully through design and completion of working drawings with anticipated construction beginning in 2027. DGS will serve as the project manager for the project.

- **2020 VPBA Capital Pool: Water Infrastructure to State Facilities Nottoway [Veto].** Includes language altering the scope of the Nottoway Water Infrastructure project for state facilities is for DGS to replace the main water transmission line and exploring increasing water capacity via wells. DGS is authorized to transfer the ownership and operation to Crewe after the project is concluded. Language provides the use of funding from the 2022 Supplement Pool to cover any shortfall than the originally assumed cost in Item C-67, Chapter 1289, 2020 Acts of Assembly. The language rescinds the project as originally authorized in Item C-67 of Chapter 1289 of the 2020 Acts of Assembly, and amended in Item C-78 of Chapter 1, 2023 Acts of Assembly, Special Session I. Language directs the Virginia Resources Authority and the Virginia Department of Health to evaluate funding options to upgrade, repair, or replace water infrastructure to increase water capacity, including grants and revolving loans. The Governor vetoed this item after the Reconvened Session as part of the final actions on the budget.
- **2020 VCBA Capital Pool: NVCC Goodwin Building.** Provides \$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.** Transfers \$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 the conveyance.

Additionally, transfers \$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).

- **Pool Balance Transfers.** Includes the capital outlay equipment pool among the list of capital funding pools between which balances can be transferred as needed to accommodate capital project cost needs. Any such transfers are made by the Director, Department of Planning and Budget, in consultation with the Six-Year Capital Outlay Plan Advisory Committee.
- **Lease Authorization Language.** Authorizes DGS to enter leases for the Department of Corrections' 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.** Includes language overriding § 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.

Chapter 725 Appendices

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

Chapter 725

APPENDIX A

Direct Aid to Public Education
2024-25 Summary

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2025

School Division	Key Data Elements		HB 1600, As Introduced, FY 2025	Technical Updates				Provide \$1,000 Bonus for SOQ Instructional and Support Positions	Estimated Distribution FY 2025 (Chapter 725)
	2024-26 Comp. Index	FY 2025 Projected ADM		Final FY 2025 Enrollment in Virginia Preschool Initiative	Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate		
ACCOMACK	.3487	4,480	\$49,396,043	(\$23,372)	\$0	\$0	\$13,243	\$514,632	\$49,900,547
ALBEMARLE	.6904	13,687	72,299,081	(14,952)	0	0	16,748	1,495,797	73,796,674
ALLEGHANY HIGHLANDS	.2737	2,605	33,182,927	(11,005)	0	0	4,615	332,412	33,508,949
AMELIA	.3758	1,518	15,018,812	0	0	0	6,247	176,180	15,201,238
AMHERST	.3015	3,691	40,805,703	487	0	0	12,745	427,457	41,246,392
APPOMATTOX	.2822	2,311	24,159,468	0	0	0	7,503	256,078	24,423,048
ARLINGTON	.8000	27,092	113,808,719	(65,704)	0	0	8,613	3,081,514	116,833,143
AUGUSTA	.3888	9,645	89,300,132	731	0	0	36,061	1,075,908	90,412,832
BATH	.8000	473	2,619,288	0	0	0	1,468	66,205	2,686,961
BEDFORD	.3132	8,519	81,226,941	(33,477)	0	0	7,627	950,926	82,152,018
BLAND	.3046	800	8,403,972	3,050	0	0	1,293	84,473	8,492,788
BOTETOURT	.4068	4,237	36,898,842	2,838	0	0	3,941	491,864	37,397,485
BRUNSWICK	.4379	1,302	13,993,174	0	0	0	1,178	169,528	14,163,880
BUCHANAN	.2557	2,181	26,729,326	0	0	0	7,468	279,180	27,015,974
BUCKINGHAM	.3379	1,711	19,417,838	(11,879)	0	0	4,193	216,646	19,626,797
CAMPBELL	.2877	7,392	75,062,032	0	0	0	19,847	808,613	75,890,492
CAROLINE	.3501	4,256	41,715,762	(47,938)	0	0	12,181	452,518	42,132,523
CARROLL	.2804	3,247	37,071,943	0	0	0	10,441	378,336	37,460,720
CHARLES CITY	.6669	473	4,139,667	0	0	0	2,011	73,417	4,215,095
CHARLOTTE	.2470	1,611	19,157,311	976	0	0	1,806	178,860	19,338,953
CHESTERFIELD	.3563	62,319	541,083,638	(203,529)	0	0	165,322	6,783,608	547,829,039
CLARKE	.6032	1,835	11,579,913	(6,091)	0	0	1,890	209,046	11,784,758
CRAIG	.3629	452	5,455,555	(190)	0	0	1,836	56,139	5,513,340
CULPEPER	.3617	8,198	76,732,241	(19,438)	0	0	9,090	890,266	77,612,159
CUMBERLAND	.3323	1,179	15,291,965	0	0	0	2,466	163,930	15,458,360
DICKENSON	.2157	1,699	21,535,940	0	0	0	5,046	207,818	21,748,805
DINWIDDIE	.2978	4,003	44,272,094	(4,200)	0	0	12,281	482,767	44,762,941
ESSEX	.4189	1,031	10,436,872	(8,515)	0	0	3,882	123,798	10,556,037
FAIRFAX	.6579	171,349	1,026,527,079	(300,323)	2,635,957	0	203,687	19,690,617	1,048,757,017
FAUQUIER	.6006	10,622	69,449,746	10,049	0	0	14,972	1,239,741	70,714,509
FLOYD	.4056	1,601	14,847,859	0	0	0	6,506	186,138	15,040,503
FLUVANNA	.3934	3,208	29,415,292	0	0	0	7,665	384,063	29,807,020
FRANKLIN	.4596	5,766	48,410,583	(3,232)	0	0	16,568	628,364	49,052,283
FREDERICK	.4151	14,177	120,613,206	0	0	0	29,078	1,475,074	122,117,358
GILES	.2117	3,502	35,838,373	(9,429)	0	0	5,700	210,431	36,045,075
GLOUCESTER	.3999	4,742	41,570,889	(14,357)	0	0	12,039	535,204	42,103,775

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2025

School Division	Key Data Elements		HB 1600, As Introduced, FY 2025	Technical Updates				Provide \$1,000 Bonus for SOQ Instructional and Support Positions	Estimated Distribution FY 2025 (Chapter 725)
	2024-26 Comp. Index	FY 2025 Projected ADM		Final FY 2025 Enrollment in Virginia Preschool Initiative	Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate		
GOOCHLAND	.8000	2,538	10,867,932	898	0	0	1,206	292,065	11,162,101
GRAYSON	.3196	1,495	17,612,144	(6,647)	0	0	2,898	186,439	17,794,834
GREENE	.3411	2,676	27,730,967	0	0	0	9,666	303,002	28,043,636
GREENSVILLE	.3898	1,040	10,989,194	(14,598)	0	0	5,766	123,173	11,103,535
HALIFAX	.3012	4,098	49,270,691	(24,449)	0	0	9,537	523,308	49,779,087
HANOVER	.4894	16,323	115,436,611	0	0	0	22,837	1,805,097	117,264,545
HENRICO	.4273	49,539	431,316,636	0	0	0	118,860	5,274,183	436,709,679
HENRY	.2247	6,545	82,349,170	(64,916)	0	0	15,780	761,161	83,061,195
HIGHLAND	.8000	187	2,281,211	0	0	0	892	37,398	2,319,501
ISLE OF WIGHT	.3704	5,342	46,983,189	(56,483)	0	0	7,938	610,236	47,544,879
JAMES CITY	.5403	10,151	68,270,578	0	0	0	0	1,148,518	69,419,096
KING GEORGE	.3633	4,438	37,746,209	(12,058)	0	0	5,909	477,901	38,217,961
KING QUEEN	.3998	564	6,458,835	(43,075)	0	0	542	74,322	6,490,624
KING WILLIAM	.3146	2,055	20,311,892	0	0	0	1,930	236,325	20,550,147
LANCASTER	.8000	939	5,008,851	(36,384)	0	0	1,487	104,937	5,078,891
LEE	.1712	2,763	39,533,145	0	0	0	2,591	361,220	39,896,956
LOUDOUN	.5518	81,006	539,708,636	0	0	0	89,968	8,696,355	548,494,959
LOUISA	.5041	5,080	39,232,686	0	0	0	15,168	551,480	39,799,334
LUNENBURG	.2614	1,493	19,380,268	0	0	0	3,379	176,557	19,560,203
MADISON	.4746	1,523	12,230,929	0	0	0	5,883	173,230	12,410,041
MATHEWS	.5904	739	5,781,195	7,775	0	0	3,094	106,111	5,898,174
MECKLENBURG	.3893	3,654	34,219,575	0	0	0	10,382	422,968	34,652,925
MIDDLESEX	.6389	1,168	8,535,195	(2,990)	0	0	3,755	163,618	8,699,578
MONTGOMERY	.4041	9,218	79,839,981	0	0	0	9,940	1,067,329	80,917,250
NELSON	.6645	1,417	9,563,632	0	0	0	3,955	160,043	9,727,630
NEW KENT	.4391	3,458	26,490,485	0	0	0	6,672	381,167	26,878,324
NORTHAMPTON	.5253	1,229	12,434,629	(2,343)	0	0	2,668	153,487	12,588,441
NORTHUMBERLAND	.7672	1,108	5,812,796	0	0	0	2,031	127,727	5,942,554
NOTTOWAY	.2696	1,686	20,138,322	0	0	0	3,627	180,454	20,322,403
ORANGE	.4382	4,804	41,088,210	0	0	0	18,334	515,687	41,622,230
PAGE	.3356	2,776	28,427,842	94,440	0	0	3,104	306,286	28,831,672
PATRICK	.2475	2,172	25,269,951	(18,602)	0	0	7,931	232,083	25,491,363
PITTSYLVANIA	.2642	7,416	81,764,850	0	0	0	27,035	834,320	82,626,205
POWHATAN	.4704	3,915	29,635,751	0	0	0	3,604	442,947	30,082,302
PRINCE EDWARD	.3776	1,724	18,108,916	0	0	0	7,055	190,476	18,306,447
PRINCE GEORGE	.2321	5,947	62,721,582	0	0	0	13,133	631,636	63,366,352

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2025

School Division	Key Data Elements		HB 1600, As Introduced, FY 2025	Technical Updates				Provide \$1,000 Bonus for SOQ Instructional and Support Positions	Estimated Distribution FY 2025 (Chapter 725)
	2024-26 Comp. Index	FY 2025 Projected ADM		Final FY 2025 Enrollment in Virginia Preschool Initiative	Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate		
PRINCE WILLIAM	.3631	87,962	838,238,763	(20,310)	0	0	148,034	9,573,659	847,940,145
PULASKI	.3303	4,171	42,461,782	0	0	0	11,813	404,290	42,877,885
RAPPAHANNOCK	.8000	732	3,569,451	(2,990)	0	0	3,088	76,184	3,645,733
RICHMOND	.3110	1,342	13,749,512	0	0	0	5,291	144,929	13,899,732
ROANOKE	.3635	13,288	116,651,098	0	0	0	31,512	1,514,496	118,197,106
ROCKBRIDGE	.4847	2,220	19,581,400	(15,410)	0	0	4,898	253,656	19,824,544
ROCKINGHAM	.4349	11,225	93,725,981	(54,076)	0	0	22,125	1,216,165	94,910,195
RUSSELL	.2265	3,059	37,547,912	0	0	0	7,437	358,647	37,913,995
SCOTT	.1872	3,883	54,608,953	0	0	0	5,283	522,996	55,137,232
SHENANDOAH	.4248	5,462	50,480,790	(29,873)	0	0	13,115	571,988	51,036,021
SMYTH	.2225	3,914	49,376,752	(18,600)	0	0	4,812	429,965	49,792,929
SOUTHAMPTON	.2987	2,189	25,073,883	0	0	0	8,160	263,613	25,345,656
SPOTSYLVANIA	.3702	23,396	216,700,523	23,782	0	0	72,496	2,611,417	219,408,218
STAFFORD	.3312	31,228	285,140,473	(19,077)	0	0	57,648	3,418,953	288,597,997
SURRY	.8000	651	3,676,516	0	0	0	2,749	96,228	3,775,493
SUSSEX	.3434	997	12,844,207	0	0	0	2,020	110,330	12,956,557
TAZEWELL	.2461	4,867	56,125,880	0	0	0	12,868	585,810	56,724,558
WARREN	.4517	4,847	40,998,898	0	0	0	24,005	536,129	41,559,032
WASHINGTON	.3459	6,992	70,230,517	(18,256)	0	0	15,414	733,743	70,961,418
WESTMORELAND	.5065	1,475	16,398,780	0	0	0	5,021	181,024	16,584,825
WISE	.2020	5,365	63,490,096	0	0	0	11,894	596,338	64,098,328
WYTHE	.3243	3,586	37,787,035	(20,206)	0	0	13,642	426,164	38,206,634
YORK	.3554	13,141	107,537,330	(143,607)	0	0	21,460	1,367,381	108,782,564
ALEXANDRIA	.8000	15,946	72,546,067	(8,988)	0	0	19,020	1,619,347	74,175,446
BRISTOL	.2977	2,028	26,662,571	0	0	0	5,943	256,208	26,924,722
BUENA VISTA	.1803	822	11,851,982	0	0	0	4,253	116,252	11,972,487
CHARLOTTESVILLE	.7702	4,150	23,851,806	(42,514)	0	0	2,310	471,712	24,283,314
COLONIAL HEIGHTS	.4026	2,849	26,124,743	(46,448)	0	0	10,801	305,995	26,395,091
DANVILLE	.2411	5,228	70,366,410	(61,123)	0	0	18,480	617,459	70,941,226
FALLS CHURCH	.8000	2,581	10,621,992	26,217	0	0	2,080	267,962	10,918,251
FREDERICKSBURG	.6163	3,425	24,273,971	(1,422)	0	0	9,570	377,819	24,659,938
GALAX	.2661	1,354	15,105,221	0	0	0	1,844	148,880	15,255,945
HAMPTON	.2579	18,692	201,036,486	(17,458)	0	0	62,444	2,072,488	203,153,960
HARRISONBURG	.3335	6,489	67,139,750	0	0	0	34,206	673,071	67,847,027
HOPEWELL	.1870	3,604	45,965,516	0	0	0	7,362	379,089	46,351,967
LYNCHBURG	.3872	7,194	74,346,132	0	0	0	19,564	827,699	75,193,395

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2025

School Division	Key Data Elements		HB 1600, As Introduced, FY 2025	Technical Updates				Provide \$1,000 Bonus for SOQ Instructional and Support Positions	Estimated Distribution FY 2025 (Chapter 725)
	2024-26 Comp. Index	FY 2025 Projected ADM		Final FY 2025 Enrollment in Virginia Preschool Initiative	Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate		
MARTINSVILLE	.2229	1,666	22,165,947	(17,506)	0	0	7,292	179,679	22,335,412
NEWPORT NEWS	.2729	24,386	273,476,359	(9,929)	0	0	93,856	2,712,436	276,272,722
NORFOLK	.3212	24,940	269,125,179	(1,044,443)	0	0	66,077	2,750,673	270,897,486
NORTON	.2412	796	9,396,944	0	0	0	2,564	85,539	9,485,046
PETERSBURG	.2075	4,130	53,444,596	(50,636)	0	0	12,841	427,941	53,834,742
PORTSMOUTH	.2369	12,226	147,823,613	(27,384)	0	0	10,454	1,354,420	149,161,103
RADFORD	.1658	3,235	36,277,061	0	0	0	3,019	216,355	36,496,434
RICHMOND CITY	.5740	20,021	177,271,619	(121,859)	0	0	47,170	2,326,693	179,523,623
ROANOKE CITY	.3388	12,984	151,116,893	(239,708)	0	0	25,738	1,454,589	152,357,512
STAUNTON	.3767	2,493	27,029,434	0	0	0	10,554	271,450	27,311,438
SUFFOLK	.3493	13,923	128,187,395	0	0	0	45,765	1,528,662	129,761,822
VIRGINIA BEACH	.4138	62,736	492,672,218	0	0	0	125,842	6,584,326	499,382,386
WAYNESBORO	.3633	2,793	28,705,891	(3,808)	0	0	11,150	318,192	29,031,425
WILLIAMSBURG	.7426	1,143	7,590,749	0	0	0	23,106	123,216	7,737,071
WINCHESTER	.4151	4,136	39,166,322	(5,877)	0	0	11,288	446,920	39,618,653
FAIRFAX CITY	.8000	3,052	12,481,178	9,043	28,053	0	0	315,285	12,833,559
FRANKLIN CITY	.2884	1,067	14,274,123	0	0	0	1,994	121,192	14,397,310
CHESAPEAKE CITY	.3273	39,871	373,235,449	0	0	0	84,549	4,406,298	377,726,296
LEXINGTON	.3987	669	5,185,834	0	0	0	435	73,686	5,259,955
EMPORIA	.2340	882	11,397,588	0	0	0	0	89,726	11,487,314
SALEM	.3632	3,826	34,206,814	(10,346)	0	(26,000)	3,870	388,929	34,563,266
POQUOSON	.3466	1,992	16,983,317	0	0	0	3,019	220,004	17,206,340
MANASSAS CITY	.3371	7,291	80,214,450	(29,794)	0	0	20,143	781,119	80,985,918
MANASSAS PARK	.2716	3,192	41,338,980	(39,909)	0	0	11,057	329,377	41,639,505
COLONIAL BEACH	.3675	562	6,435,497	0	0	0	2,069	69,348	6,506,915
WEST POINT	.2489	794	7,998,137	0	0	0	2,649	85,022	8,085,807
TOTAL:		1,214,292	\$10,383,111,681	(\$3,001,447)	\$2,664,010	(\$26,000)	\$2,454,971	\$134,399,957	10,519,603,172

Chapter 725

APPENDIX B

Direct Aid to Public Education
2025-26 Summary

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2026

School Division	Key Data Elements		HB 1600, As Introduced, FY 2026	Technical Updates			Policy Changes			Estimated Distribution FY 2026 (Chapter 725)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate	Fund Support Positions in Basic Aid at 27.89 per 1,000	Provide Special Education Add-On	Maintain VPI LCI Cap	
ACCOMACK	.3487	4,440	\$50,261,787	\$0	\$0	\$11,978	\$1,001,995	\$277,186	\$0	\$51,552,945
ALBEMARLE	.6904	13,901	73,722,153	0	0	16,779	1,249,371	255,006	419,437	75,662,746
ALLEGHANY HIGHLANDS	.2737	2,568	32,985,121	0	0	5,077	612,024	195,773	0	33,797,994
AMELIA	.3758	1,515	15,284,268	0	0	6,268	316,469	57,876	0	15,664,881
AMHERST	.3015	3,615	40,940,556	0	0	13,069	805,875	230,323	0	41,989,823
APPOMATTOX	.2822	2,347	25,049,463	0	0	9,809	533,332	80,115	0	25,672,719
ARLINGTON	.8000	27,532	118,070,302	0	0	11,538	1,894,589	524,331	1,492,790	121,993,551
AUGUSTA	.3888	9,611	90,220,401	0	0	46,074	1,816,208	323,602	0	92,406,284
BATH	.8000	472	2,649,484	0	0	1,729	31,425	11,152	20,933	2,714,723
BEDFORD	.3132	8,414	82,219,271	0	0	8,556	1,720,621	398,994	0	84,347,442
BLAND	.3046	832	8,940,185	0	0	1,614	179,287	66,256	0	9,187,342
BOTETOURT	.4068	4,184	37,009,012	0	0	4,347	745,388	236,911	0	37,995,657
BRUNSWICK	.4379	1,274	17,259,734	0	0	1,213	251,395	90,265	0	17,602,607
BUCHANAN	.2557	2,132	26,601,700	0	0	8,880	552,943	163,941	0	27,327,464
BUCKINGHAM	.3379	1,679	19,191,738	0	0	4,291	376,403	85,452	0	19,657,884
CAMPBELL	.2877	7,375	75,862,960	0	0	21,454	1,668,515	370,914	0	77,923,843
CAROLINE	.3501	4,293	42,676,915	0	0	11,898	918,895	183,062	0	43,790,769
CARROLL	.2804	3,235	37,334,931	0	0	10,785	758,931	266,436	0	38,371,083
CHARLES CITY	.6669	462	4,094,437	0	0	2,257	51,524	19,938	31,610	4,199,766
CHARLOTTE	.2470	1,612	19,537,335	0	0	1,540	396,436	77,342	0	20,012,653
CHESTERFIELD	.3563	62,359	559,190,018	0	0	194,228	12,477,001	2,874,195	0	574,735,441
CLARKE	.6032	1,791	11,647,444	0	0	2,222	220,102	37,408	32,476	11,939,652
CRAIG	.3629	453	5,439,353	0	0	2,185	91,552	52,573	0	5,585,663
CULPEPER	.3617	8,232	80,003,415	0	0	9,248	1,695,891	340,586	0	82,049,140
CUMBERLAND	.3323	1,176	15,534,257	0	0	2,384	274,049	67,076	0	15,877,767
DICKENSON	.2157	1,631	21,082,083	0	0	7,138	428,113	116,365	0	21,633,699
DINWIDDIE	.2978	3,981	44,645,235	0	0	13,746	942,222	209,819	0	45,811,022
ESSEX	.4189	987	10,192,512	0	0	3,862	204,980	53,583	0	10,454,937
FAIRFAX	.6579	171,495	1,043,999,270	2,639,156	0	238,582	20,273,915	5,359,665	5,136,651	1,077,647,238
FAUQUIER	.6006	10,710	71,813,943	0	0	16,705	1,330,831	359,002	134,797	73,655,278
FLOYD	.4056	1,571	14,878,404	0	0	6,635	293,996	89,512	0	15,268,547
FLUVANNA	.3934	3,174	30,045,234	0	0	8,013	570,679	123,474	0	30,747,400
FRANKLIN	.4596	5,704	48,777,227	0	0	17,265	980,109	293,940	0	50,068,540
FREDERICK	.4151	14,361	126,464,324	0	0	32,516	2,695,454	544,496	0	129,736,790
GILES	.2117	3,516	36,761,912	0	0	6,999	890,345	323,692	0	37,982,948
GLOUCESTER	.3999	4,698	42,123,969	0	0	13,027	854,953	238,195	0	43,230,144

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2026

School Division	Key Data Elements		HB 1600, As Introduced, FY 2026	Technical Updates			Policy Changes			Estimated Distribution FY 2026 (Chapter 725)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPISA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate	Fund Support Positions in Basic Aid at 27.89 per 1,000	Provide Special Education Add-On	Maintain VPI LCI Cap	
GOOCHLAND	.8000	2,577	11,064,362	0	0	1,584	149,323	39,882	143,539	11,398,690
GRAYSON	.3196	1,465	17,788,964	0	0	3,204	331,834	98,541	0	18,222,543
GREENE	.3411	2,634	27,921,777	0	0	10,441	554,150	119,367	0	28,605,735
GREENSVILLE	.3898	1,017	10,951,029	0	0	6,815	228,200	53,045	0	11,239,089
HALIFAX	.3012	4,042	48,853,525	0	0	11,480	963,879	294,402	0	50,123,286
HANOVER	.4894	16,240	117,321,538	0	0	27,899	2,453,924	696,418	0	120,499,778
HENRICO	.4273	49,891	444,549,016	0	0	126,079	9,391,886	2,100,558	0	456,167,539
HENRY	.2247	6,499	82,910,960	0	0	14,687	1,811,840	446,933	0	85,184,420
HIGHLAND	.8000	179	2,292,698	0	0	971	30,107	5,855	0	2,329,631
ISLE OF WIGHT	.3704	5,223	47,014,812	0	0	8,840	985,389	221,584	0	48,230,625
JAMES CITY	.5403	10,177	70,147,891	0	0	0	1,405,783	431,070	55,034	72,039,778
KING GEORGE	.3633	4,475	38,941,183	0	0	6,803	860,845	217,622	0	40,026,453
KING QUEEN	.3998	506	5,957,673	0	0	1,529	103,583	40,716	0	6,103,501
KING WILLIAM	.3146	2,066	20,819,871	0	0	2,009	401,632	98,370	0	21,321,883
LANCASTER	.8000	936	4,925,873	0	0	1,853	64,076	18,430	113,635	5,123,867
LEE	.1712	2,771	42,914,258	0	0	2,467	826,749	250,572	0	43,994,045
LOUDOUN	.5518	80,783	552,019,583	0	0	95,793	12,668,516	2,396,399	541,563	567,721,854
LOUISA	.5041	5,125	40,468,279	0	0	13,913	817,739	203,013	5,599	41,508,543
LUNENBURG	.2614	1,487	19,688,733	0	0	3,511	381,638	104,025	0	20,177,907
MADISON	.4746	1,495	12,199,651	0	0	6,369	240,628	39,700	0	12,486,347
MATHEWS	.5904	700	5,728,723	0	0	3,696	89,259	31,269	27,033	5,879,980
MECKLENBURG	.3893	3,653	35,129,400	0	0	11,428	741,144	129,529	0	36,011,501
MIDDLESEX	.6389	1,191	8,804,844	0	0	3,787	146,212	37,718	44,306	9,036,867
MONTGOMERY	.4041	9,115	80,551,891	0	0	12,063	1,656,475	356,140	0	82,576,569
NELSON	.6645	1,409	9,699,011	0	0	4,011	152,716	49,195	49,192	9,954,125
NEW KENT	.4391	3,476	27,062,206	0	0	7,290	586,690	139,454	0	27,795,641
NORTHAMPTON	.5253	1,175	12,248,165	0	0	3,239	198,513	50,878	13,114	12,513,909
NORTHUMBERLAND	.7672	1,102	5,754,518	0	0	2,091	86,399	18,226	109,201	5,970,435
NOTTOWAY	.2696	1,662	20,254,647	0	0	3,989	412,662	90,458	0	20,761,756
ORANGE	.4382	4,815	42,145,618	0	0	20,673	852,509	209,526	0	43,228,327
PAGE	.3356	2,706	28,228,470	0	0	3,088	570,163	130,589	0	28,932,311
PATRICK	.2475	2,097	24,835,761	0	0	10,990	508,639	190,142	0	25,545,532
PITTSYLVANIA	.2642	7,372	81,878,934	0	0	30,453	1,780,525	365,634	0	84,055,546
POWHATAN	.4704	3,842	29,566,332	0	0	4,410	603,214	139,581	0	30,313,537
PRINCE EDWARD	.3776	1,717	18,071,911	0	0	9,106	359,307	83,550	0	18,523,874
PRINCE GEORGE	.2321	5,949	64,251,858	0	0	14,817	1,421,189	365,865	0	66,053,730

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2026

School Division	Key Data Elements		HB 1600, As Introduced, FY 2026	Technical Updates			Policy Changes			Estimated Distribution FY 2026 (Chapter 725)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate	Fund Support Positions in Basic Aid at 27.89 per 1,000	Provide Special Education Add-On	Maintain VPI LCI Cap	
PRINCE WILLIAM	.3631	87,782	862,072,611	0	0	162,909	20,310,375	4,262,442	0	886,808,336
PULASKI	.3303	4,176	43,346,985	0	0	14,858	948,122	193,105	0	44,503,070
RAPPAHANNOCK	.8000	736	3,629,838	0	0	3,184	13,344	13,670	65,789	3,725,826
RICHMOND	.3110	1,362	14,144,972	0	0	5,840	297,391	74,673	0	14,522,875
ROANOKE	.3635	13,145	117,988,819	0	0	34,923	2,515,235	813,030	0	121,352,007
ROCKBRIDGE	.4847	2,232	19,801,677	0	0	5,520	360,078	105,563	0	20,272,838
ROCKINGHAM	.4349	11,329	96,814,275	0	0	23,717	1,918,691	328,246	0	99,084,930
RUSSELL	.2265	2,987	36,960,815	0	0	8,892	746,964	166,365	0	37,883,036
SCOTT	.1872	3,774	53,672,238	0	0	6,736	945,552	422,857	0	55,047,382
SHENANDOAH	.4248	5,484	51,535,766	0	0	15,195	1,011,233	271,840	0	52,834,034
SMYTH	.2225	3,992	51,087,202	0	0	5,003	1,035,511	296,086	0	52,423,803
SOUTHAMPTON	.2987	2,115	24,618,891	0	0	9,372	504,291	118,022	0	25,250,576
SPOTSYLVANIA	.3702	23,459	223,690,421	0	0	77,987	4,863,682	1,257,279	0	229,889,370
STAFFORD	.3312	31,300	294,362,174	0	0	60,434	6,728,997	1,634,226	0	302,785,831
SURRY	.8000	644	3,690,361	0	0	3,141	42,596	15,291	56,818	3,808,206
SUSSEX	.3434	1,031	13,483,614	0	0	1,848	257,528	54,796	0	13,797,786
TAZEWELL	.2461	4,725	56,004,701	0	0	17,168	1,184,385	364,147	0	57,570,401
WARREN	.4517	4,778	41,325,434	0	0	26,974	859,117	173,803	0	42,385,329
WASHINGTON	.3459	7,192	73,265,894	0	0	15,788	1,508,886	480,650	0	75,271,218
WESTMORELAND	.5065	1,480	16,765,748	0	0	5,988	251,183	83,809	3,888	17,110,616
WISE	.2020	5,323	63,337,208	0	0	14,429	1,405,978	344,763	0	65,102,379
WYTHE	.3243	3,473	37,429,155	0	0	16,036	779,772	221,121	0	38,446,084
YORK	.3554	13,367	111,857,933	0	0	22,623	2,523,001	560,347	0	114,963,904
ALEXANDRIA	.8000	16,215	73,986,284	0	0	21,315	1,197,577	174,182	1,842,712	77,222,070
BRISTOL	.2977	2,012	26,845,001	0	0	6,236	491,931	137,581	0	27,480,749
BUENA VISTA	.1803	823	12,235,688	0	0	4,552	224,931	75,066	0	12,540,237
CHARLOTTESVILLE	.7702	4,177	23,589,663	0	0	2,639	316,939	70,593	374,376	24,354,210
COLONIAL HEIGHTS	.4026	2,902	27,302,143	0	0	11,339	575,603	127,289	0	28,016,373
DANVILLE	.2411	5,164	70,868,960	0	0	19,191	1,491,732	345,537	0	72,725,420
FALLS CHURCH	.8000	2,632	11,174,923	0	0	1,896	179,085	54,504	41,734	11,452,142
FREDERICKSBURG	.6163	3,468	25,122,244	0	0	10,759	455,789	94,626	68,473	25,751,891
GALAX	.2661	1,355	15,477,764	0	0	1,909	340,383	76,819	0	15,896,875
HAMPTON	.2579	18,353	201,593,576	0	0	69,931	4,550,977	940,238	0	207,154,723
HARRISONBURG	.3335	6,567	69,458,784	0	0	41,764	1,439,650	236,548	0	71,176,746
HOPEWELL	.1870	3,590	46,147,981	0	0	7,263	1,075,857	298,569	0	47,529,671
LYNCHBURG	.3872	7,121	76,132,976	0	0	20,161	1,494,047	350,312	0	77,997,496

Chapter 725, 2025 Session, Direct Aid Amendments - FY 2026

School Division	Key Data Elements		HB 1600, As Introduced, FY 2026	Technical Updates			Policy Changes			Estimated Distribution FY 2026 (Chapter 725)
	2024-26 Comp. Index	FY 2026 Projected ADM		Update Early Reading Assessment Data for Fairfax County for Grades 2-3	Update VPSA to Remove Virtual School from Salem	Correct School Breakfast Reimbursement Rates for Updated \$0.28 Rate	Fund Support Positions in Basic Aid at 27.89 per 1,000	Provide Special Education Add-On	Maintain VPI LCI Cap	
MARTINSVILLE	.2229	1,655	22,158,361	0	0	7,673	483,356	98,949	0	22,748,339
NEWPORT NEWS	.2729	24,113	276,722,396	0	0	100,912	5,917,099	1,190,971	0	283,931,378
NORFOLK	.3212	24,733	272,525,727	0	0	67,864	5,830,590	1,416,332	0	279,840,513
NORTON	.2412	807	9,686,550	0	0	3,367	209,393	58,032	0	9,957,342
PETERSBURG	.2075	4,237	55,910,172	0	0	12,992	1,253,561	180,515	0	57,357,241
PORTSMOUTH	.2369	12,064	148,919,448	0	0	14,983	3,357,489	635,992	0	152,927,911
RADFORD	.1658	3,089	35,713,813	0	0	3,021	823,904	271,583	0	36,812,321
RICHMOND CITY	.5740	20,149	182,866,771	0	0	46,358	3,139,360	690,198	627,725	187,370,412
ROANOKE CITY	.3388	13,080	156,247,826	0	0	25,351	3,108,146	745,583	0	160,126,906
STAUNTON	.3767	2,478	27,227,346	0	0	11,660	509,419	100,361	0	27,848,786
SUFFOLK	.3493	13,999	130,840,004	0	0	46,223	2,880,196	614,955	0	134,381,378
VIRGINIA BEACH	.4138	62,504	505,054,995	0	0	136,831	10,890,140	2,694,930	0	518,776,896
WAYNESBORO	.3633	2,792	28,996,476	0	0	13,320	589,062	113,011	0	29,711,869
WILLIAMSBURG	.7426	1,219	8,132,214	0	0	23,319	95,019	30,293	72,547	8,353,392
WINCHESTER	.4151	4,182	41,164,956	0	0	12,957	849,031	153,729	0	42,180,673
FAIRFAX CITY	.8000	3,159	13,250,346	29,923	0	0	216,231	58,320	166,936	13,721,756
FRANKLIN CITY	.2884	1,114	15,011,775	0	0	1,507	310,999	46,201	0	15,370,482
CHESAPEAKE CITY	.3273	40,014	384,402,051	0	0	86,983	8,127,153	2,249,090	0	394,865,277
LEXINGTON	.3987	687	5,507,314	0	0	432	121,584	15,309	0	5,644,639
EMPORIA	.2340	894	11,976,128	0	0	0	253,467	59,088	0	12,288,683
SALEM	.3632	3,718	34,165,556	0	(26,000)	5,551	721,554	214,235	0	35,080,896
POQUOSON	.3466	1,983	17,349,995	0	0	3,628	382,250	88,483	0	17,824,356
MANASSAS CITY	.3371	7,302	83,015,689	0	0	19,279	1,847,865	252,966	0	85,135,799
MANASSAS PARK	.2716	3,168	41,951,865	0	0	11,582	912,813	232,672	0	43,108,932
COLONIAL BEACH	.3675	556	6,575,556	0	0	2,382	116,659	32,494	0	6,727,092
WEST POINT	.2489	784	8,012,147	0	0	3,133	179,088	37,733	0	8,232,101
TOTAL:		1,213,646	\$10,609,682,516	\$2,669,079	(\$26,000)	\$2,704,113	\$222,914,996	\$52,782,732	\$11,691,908	\$10,902,419,344

Chapter 725

APPENDIX C

Capital Outlay Actions

**DETAIL OF CHAPTER 725, 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	
General Conditions							
Adjust submission requirements for the Six-Year Capital Outlay budget recommendations							Language
Adjust language authorizing transfer of bonds between capital pools, adds capital equipment pool							Language
Administration							
Department of General Services							
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
Total: Office of Administration	\$49,500,000	\$0	\$0	\$0	\$0	\$0	\$49,500,000
Education							
William & Mary							
Construct West Woods Phase 2					120,000,000		120,000,000
George Mason University							
Address Priority Facility Improvements [Veto]	20,250,000						20,250,000
James Madison							
Construct Student Housing					86,085,243		86,085,243
University of Mary Washington							
Improve Energy Infrastructure	4,350,000			650,000			5,000,000
Longwood University							
Replace and Augment IT Network and Security Equipment	2,160,863			551,454			2,712,317
Radford University							
Renovate Dalton Hall				52,320,333			52,320,333
Norfolk State University							
Improve Campus Security	8,633,223						8,633,223
Virginia Community College System							
Paul D. Camp CC Workforce Trades and Innovation Center	750,000						750,000
Danville CC Construct Aviation Maintenance Technician Facility	2,500,000						2,500,000
Virginia State University							
Improve Life Safety Systems Campuswide	6,596,950						6,596,950
Accept Transfer of Property from Virginia Commonwealth University							Language
Southwest Virginia Higher Education Center							
Property Transfer from Virginia Highlands CC							Language
Science Museum of Virginia							
Community Green Space				6,300,000			6,300,000
Science Museum of Virginia							0
Total: Office of Education	\$45,241,036	\$0	\$0	\$59,821,787	\$206,085,243	\$0	\$311,148,066

**DETAIL OF CHAPTER 725, 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	
Health & Human Resources							
Department of Behavioral Health and Developmental Services							
Renovate, repair, and upgrade state-operated facilities	32,300,000						32,300,000
Total: Office of Human Resources	\$32,300,000	\$0	\$0	\$0	\$0	\$0	\$32,300,000
Natural and Historic Resources							
Department of Conservation & Recreation							
Acquisition of land for state parks				10,399,475			10,399,475
Deferred maintenance for state parks [Veto]	20,000,000						20,000,000
Total: Office of Natural Resources	\$20,000,000	\$0	\$0	\$10,399,475	\$0	\$0	\$30,399,475
Public Safety and Homeland Security							
Department of Corrections							
HVAC Improvements and Installations [Veto]	25,000,000						25,000,000
Total: Office of Public Safety	\$25,000,000	\$0	\$0	\$0	\$0	\$0	\$25,000,000
Veterans and Defense Affairs							
Department of Veterans Services							
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
Department of Military Affairs							
Construct the Army Aviation Support Facility Connector Road	2,500,000						2,500,000
Total: Veterans and Defense Affairs	\$2,500,000	\$0	\$0	\$6,160,000	\$0	\$0	\$8,660,000
Transportation							
Department of Motor Vehicles							
Maintenance Reserve				15,500,000			15,500,000
Renovate DMV Headquarters				16,000,000			16,000,000
Virginia Port Authority							
Virginia International Gateway Terminal Lease				335,000,000			335,000,000
Total: Office of Transportation	\$0	\$0	\$0	\$366,500,000	\$0	\$0	\$366,500,000
Central Appropriations							
Central Capital Outlay							
WQIF Wastewater Treatment Upgrades [Veto]			31,164,700				31,164,700
Stormwater Local Assistance Fund [Veto]			40,000,000				40,000,000
Maintenance Reserve							
Capital Equipment Funding	14,511,505						14,511,505
Detail Planning Pool	32,724,853			9,130,897			41,855,750
2025 Public Educational Institution Capital Pool [Veto]	626,043,774			144,800,000		24,531,520	795,375,294
2025 State Agency Capital Pool	106,566,064						106,566,064
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	10,939,000						10,939,000

**DETAIL OF CHAPTER 725, 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	
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 [Veto]							Language
Authorize lease or finance purchase arrangements							Language
Redirect balances from completed or cancelled standalone projects							Language
Total: Central Appropriations	\$868,693,146	\$0	\$71,164,700	\$153,930,897	\$0	\$24,531,520	\$1,118,320,263
Total: Capital Outlay Chapter 725, 2025 Session	\$1,043,234,182	\$0	\$71,164,700	\$596,812,159	\$206,085,243	\$24,531,520	\$1,941,827,804

Chapter 725

APPENDIX D

Summary of Detailed Actions
in Budget

Appendix D: Summary of Detailed Budget Actions in Ch. 725

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Administration				
Compensation Board				
Fund website modernization project	\$126,986	\$26,621	\$0	\$0
Circuit Court Clerk Positions for Sealing Workload Increase	\$0	\$5,524,340	\$0	\$0
Commonwealth's Attorneys' Positions for Sealing Workload Increase	\$0	\$5,506,783	\$0	\$0
Increase sheriffs' dispatcher salaries	\$0	\$874,195	\$0	\$0
Convert Bath and Highland Commonwealth's Attorneys from Part- to Full-Time Status	\$0	\$270,970	\$0	\$0
Administrative Support for Additional Workload	\$0	\$137,175	\$0	\$0
Adjust salaries of elected constitutional officers based on increases in locality population	\$0	\$130,716	\$0	\$0
VCBR Residents at Piedmont Regional Jail	\$0	\$100,000	\$0	\$0
Compensation Board - Total Adopted Amendments	\$126,986	\$12,570,800	\$0	\$0
Department of Elections				
Continue migration of information and systems to the Cloud	\$500,000	\$0	\$0	\$0
Provide funding to plan upgrades for current elections software	\$250,000	\$0	\$0	\$0
Department of Elections - Total Adopted Amendments	\$750,000	\$0	\$0	\$0
Department of General Services				
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
Department of General Services - Total Adopted Amendments	\$0	\$288,400	\$0	\$6,086,731
Department of Human Resource Management				
Fund information security analyst position	\$0	\$73,708	\$0	\$73,708
Fund human resource service center	\$0	\$0	\$0	\$150,000
Department of Human Resource Management - Total Adopted Amendments	\$0	\$73,708	\$0	\$223,708
Secretary of Administration				
Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency	\$0	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Secretary of Administration - Total Adopted Amendments	\$0	\$0	\$0	\$0
Virginia Information Technologies Agency				
Increase cost share for federal cybersecurity grant	\$1,892,356	\$0	\$0	\$0
Establish the Project Management Center of Excellence	\$0	\$2,000,000	\$0	\$0
Provide appropriation to develop and operate a single sign-in and verification system	\$0	\$0	\$0	\$3,888,739
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
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
Increase positions for transition to new managed security services	\$0	\$0	\$0	\$0
Adjust appropriation for internal service fund updates	\$0	\$0	\$0	\$23,186,835
Transfer Office of Data Governance and Analytics to the Virginia Information Technologies Agency	\$0	\$0	\$0	\$0
Provide appropriation to facilitate the transition for the new administration	\$0	\$0	\$365,225	\$1,549,648
Virginia Information Technologies Agency - Total Adopted Amendments	\$1,892,356	\$2,000,000	\$865,225	\$44,584,549
Administration - Total Adopted Amendments	\$2,769,342	\$14,932,908	\$865,225	\$50,894,988

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
Shenandoah County Agricultural Foundation	\$300,000	\$0	\$0	\$0
Increase Support for Blue Catfish Grant Program	\$250,000	\$0	\$0	\$0
Redistribute Information Technology Modernization Support	\$150,000	(\$150,000)	\$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
Large Animal Veterinary Care Incentive Grant Program	\$0	\$450,000	\$0	\$0
Increase nongeneral fund appropriation for the Virginia Horse Industry Board	\$0	\$0	\$0	\$1,180,000

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Increase nongeneral fund appropriation for pesticide services	\$0	\$0	\$0	\$500,000
Decrease deposit to the Virginia Wine Promotion Fund	(\$38,924)	(\$38,924)	\$0	\$0
Department of Agriculture and Consumer Services - Total Adopted Amendments	\$1,532,081	\$3,289,800	\$0	\$1,680,000
Department of Forestry				
Upgrade Integrated Forest Resource Information System modules	\$270,000	\$232,000	\$0	\$0
Department of Forestry - Total Adopted Amendments	\$270,000	\$232,000	\$0	\$0
Agriculture and Forestry - Total Adopted Amendments	\$1,802,081	\$3,521,800	\$0	\$1,680,000

Central Appropriations

Central Appropriations

State Employee and State-Supported Local Employees Bonus	\$83,057,917	\$0	\$0	\$0
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
Amendment 173: Update compensation and benefit distributions for ODU/EVMS merger	\$0	\$2,614,657	\$0	\$0
Fund inauguration and transition for statewide elected offices	\$0	\$1,965,382	\$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
Central Appropriations - Total Adopted Amendments	\$90,664,006	\$67,510,478	\$9,374,035	\$0
Central Appropriations - Total Adopted Amendments	\$90,664,006	\$67,510,478	\$9,374,035	\$0

Commerce and Trade

Department of Energy

Purchase new truck-mounted geoprobe equipment	\$225,000	\$0	\$0	\$0
Department of Energy - Total Adopted Amendments	\$225,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department of Housing and Community Development				
Disaster Mitigation for Qualified Communities	\$50,000,000	\$0	\$0	\$0
Establish Rental Assistance Pilot Program	\$20,000,000	\$0	\$0	\$0
First-Time Homebuyer Grant Program	\$15,000,000	\$0	\$0	\$0
Support for Local Housing Trust Funds and Projects	\$13,000,000	\$0	\$0	\$0
Shift second year Virginia Telecommunication Initiative funding to the first year	\$10,000,000	(\$10,000,000)	\$0	\$0
Site Readiness Improvements in Pulaski County	\$7,500,000	\$0	\$0	\$0
Prentis Street Transmission Water Main Improvements	\$6,000,000	\$0	\$0	\$0
Sanitary Sewer Pump Rehabilitation	\$4,250,000	\$0	\$0	\$0
Urban Public-Private Partnership Redevelopment Fund	\$2,500,000	\$0	\$0	\$0
Replenish Community Development Financial Institutions Fund	\$2,500,000	\$0	\$0	\$0
Transfer White Mill funding for the City of Danville to the first year	\$2,000,000	(\$2,000,000)	\$0	\$0
Low-Barrier Emergency Shelter	\$1,500,000	\$0	\$0	\$0
Eviction Prevention and Expanded McKinney-Vento Services	\$1,500,000	\$0	\$0	\$0
Community Development - Riverwalk Project	\$1,200,000	\$0	\$0	\$0
Western Tidewater Homeless Shelter	\$500,000	\$0	\$0	\$0
Fund natural gas study in Patrick County	\$100,000	\$0	\$0	\$0
Establish an early learning capital supply-building program	(\$1,000,000)	\$0	\$0	\$0
Department of Housing and Community Development - Total Adopted Amendments	\$136,550,000	(\$12,000,000)	\$0	\$0
Department of Small Business and Supplier Diversity				
Capital Access Program	\$150,000	\$0	\$0	\$0
Increase Small, Women-owned, and Minority-owned business certification capacity	\$0	\$86,078	\$0	\$0
Department of Small Business and Supplier Diversity - Total Adopted Amendments	\$150,000	\$86,078	\$0	\$0
Economic Development Incentive Payments				
Expand the Virginia Business Ready Sites Program	\$20,000,000	\$0	\$0	\$0
Develop Advanced Laboratory Facility	\$7,500,000	\$0	\$0	\$0
Adjust Amazon HQ2 Advance Payments	\$7,450,000	(\$21,250,000)	\$0	\$0
Eastern Shore Economic Development Project	\$6,500,000	\$0	\$0	\$0
Retrofit Lab Space in Roanoke for Life Sciences	\$4,000,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Reauthorize funding associated with an economic development project in Wythe County	\$3,895,682	\$0	\$0	\$0
Reduce Cost of Insulin	\$3,000,000	\$0	\$0	\$0
Shift funding for the inland port to the first year	\$2,500,000	(\$2,500,000)	\$0	\$0
Increase Funding for Virginia Motion Picture Opportunity Fund	\$1,000,000	\$0	\$0	\$0
Economic Development Project	\$1,000,000	\$0	\$0	\$0
Update the Virginia Economic Development Incentive Grant Program appropriation schedule	\$30,000	(\$300,000)	\$0	\$0
Reduce the Virginia Investment Performance Grant appropriation and provide payment flexibility	(\$390,000)	(\$403,600)	\$0	\$0
Economic Development Incentive Payments - Total Adopted Amendments	\$56,485,682	(\$24,453,600)	\$0	\$0
Virginia Economic Development Partnership				
Increase Targeted Marketing	\$1,500,000	\$0	\$0	\$0
Virginia Internship Program	\$0	\$6,000,000	\$0	\$0
Virginia Economic Development Partnership - Total Adopted Amendments	\$1,500,000	\$6,000,000	\$0	\$0
Virginia Innovation Partnership Authority				
Support life sciences in the Commonwealth	\$69,050,754	(\$69,050,754)	\$0	\$0
Virginia Innovation Partnership Authority - Total Adopted Amendments	\$69,050,754	(\$69,050,754)	\$0	\$0
Virginia Tourism Authority				
Support sports tourism grant program	\$3,000,000	\$0	\$0	\$0
Tourism Marketing Campaign	\$1,250,000	\$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
Schooner Virginia Education Programming	\$125,000	\$125,000	\$0	\$0
Blue Highway Festival	\$50,000	\$0	\$0	\$0
Virginia Tourism Authority - Total Adopted Amendments	\$5,070,000	\$125,000	\$0	\$0
Commerce and Trade - Total Adopted Amendments	\$269,031,436	(\$99,293,276)	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Education (Higher Ed)				
Christopher Newport University				
CNU - IT Infrastructure Modernization	\$3,300,000	\$0	\$0	\$0
CNU - Maintain Affordability	\$1,475,800	\$0	\$0	\$0
CNU - O & M for New Facilities Coming Online	\$825,000	\$0	\$540,000	\$0
CNU - Undergraduate Financial Aid	\$330,000	\$0	\$0	\$0
CNU - Captains Pathways for VCCS Students	\$300,000	\$0	\$0	\$0
Christopher Newport University - Total Adopted Amendments	\$6,230,800	\$0	\$540,000	\$0
Cooperative Extension and Agricultural Research Services				
Increase federal appropriation	\$0	\$0	\$0	\$1,000,000
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$400,000
Cooperative Extension and Agricultural Research Services - Total Adopted Amendments	\$0	\$0	\$0	\$1,400,000
George Mason University				
GMU - Maintain Affordability	\$7,432,000	\$0	\$0	\$0
GMU - Operating Support	\$3,000,000	\$0	\$0	\$0
GMU - Undergraduate Financial Aid	\$1,984,000	\$0	\$0	\$0
GMU - Small Business Development Centers (SBDC)	\$700,000	\$0	\$0	\$0
George Mason University - Total Adopted Amendments	\$13,116,000	\$0	\$0	\$0
James Madison University				
JMU - Maintain Affordability	\$3,938,900	\$0	\$0	\$0
JMU - Expand Undergraduate Nursing	\$1,000,000	\$0	\$0	\$0
JMU - Undergraduate Financial Aid	\$968,000	\$0	\$0	\$0
Adjust nongeneral fund appropriation to reflect anticipated revenue and operations	\$0	\$0	\$0	\$1,609,363
James Madison University - Total Adopted Amendments	\$5,906,900	\$0	\$0	\$1,609,363
Longwood University				
Longwood - Maintain Affordability	\$1,181,900	\$0	\$0	\$0
Longwood - Undergraduate Financial Aid	\$351,000	\$0	\$0	\$0
Adjust indirect cost fund appropriation	\$0	\$0	\$0	\$150,000
Longwood University - Total Adopted Amendments	\$1,532,900	\$0	\$0	\$150,000

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
New College Institute				
NCI - Workforce Grants and Operating Support	\$500,000	\$0	\$0	\$0
New College Institute - Total Adopted Amendments	\$500,000	\$0	\$0	\$0
Norfolk State University				
NSU - Public and Private HBCU Collaboration	\$10,000,000	\$0	\$0	\$0
NSU - IT Infrastructure Modernization	\$4,100,000	\$0	\$0	\$0
NSU - Maintain Affordability	\$1,316,200	\$0	\$0	\$0
NSU - Undergraduate Financial Aid	\$737,000	\$0	\$0	\$0
Increase auxiliary enterprise appropriation	\$0	\$0	\$0	\$15,000,000
Norfolk State University - Total Adopted Amendments	\$16,153,200	\$0	\$0	\$15,000,000
Old Dominion University				
ODU - Operating Support	\$7,000,000	\$0	\$0	\$0
ODU - Maintain Affordability	\$4,760,200	\$0	\$0	\$0
ODU - Undergraduate Financial Aid	\$2,135,000	\$0	\$0	\$0
Old Dominion University - Total Adopted Amendments	\$13,895,200	\$0	\$0	\$0
Radford University				
Radford - Nursing	\$2,083,000	\$0	\$0	\$0
Radford - Maintain Affordability	\$1,800,100	\$0	\$0	\$0
RU - Undergraduate Financial Aid	\$609,000	\$0	\$0	\$0
Radford University - Total Adopted Amendments	\$4,492,100	\$0	\$0	\$0
Richard Bland College				
RBC - Maintain Affordability	\$308,700	\$0	\$0	\$0
RBC - Undergraduate Financial Aid	\$52,000	\$0	\$0	\$0
Richard Bland College - Total Adopted Amendments	\$360,700	\$0	\$0	\$0
Roanoke Higher Education Authority				
Upgrade information technology fiber infrastructure	\$213,410	\$0	\$0	\$0
Upgrade to cloud based security camera system	\$156,166	\$0	\$0	\$0
RHEA - Security Guard and Additional Contract Hours	\$131,000	\$0	\$0	\$0
RHEA - Porter	\$73,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Provide power supply units for information technology network switch efficiency	\$71,596	\$0	\$0	\$0
Roanoke Higher Education Authority - Total Adopted Amendments	\$645,172	\$0	\$0	\$0
Southern Virginia Higher Education Center				
Adjust nongeneral fund appropriation	\$0	\$0	\$0	(\$1,200,000)
Southern Virginia Higher Education Center - Total Adopted Amendments	\$0	\$0	\$0	(\$1,200,000)
State Council of Higher Education for Virginia				
Appropriate general fund surplus dedicated to waiver programs	\$45,000,000	\$45,000,000	\$0	\$0
SCHEV - Financial Assistance Program Adjustments	\$11,800,000	\$5,000,000	(\$45,000,000)	(\$60,000,000)
Increase support for Virginia Military Survivors and Dependents Education Program (VMSDEP) stipends	\$2,300,000	\$7,100,000	\$0	\$0
SCHEV - Hunger-Free Campus Grant Program	\$500,000	\$0	\$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 and a position to support data analysis and visualization	\$0	\$161,589	\$0	\$0
Provide funding to maintain the Virginia Longitudinal Data System	\$0	\$144,360	\$0	\$0
Expand support for waiver programs	\$0	\$0	\$60,000,000	\$60,000,000
SCHEV - Internships Business Participation Move to VEDP		(\$6,000,000)	\$0	\$0
State Council of Higher Education for Virginia - Total Adopted Amendments	\$59,600,000	\$56,405,949	\$15,000,000	\$0
The College of William and Mary in Virginia				
CWM - IT Infrastructure Modernization	\$4,100,000	\$0	\$0	\$0
CWM - Maintain Affordability	\$2,077,900	\$0	\$0	\$0
CWM - Troops to Teachers	\$521,000	\$0	\$0	\$0
CWM - James Monroe's Highland	\$500,000	\$0	\$0	\$0
CWM - Gamage Democracy Fellowship	\$500,000	\$0	\$0	\$0
CWM - Community Law Clinic	\$500,000	\$0	\$0	\$0
W&M - Undergraduate Financial Aid	\$166,000	\$0	\$0	\$0
CWM - Office of Student Veteran Engagement (OSVE)	\$150,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
The College of William and Mary in Virginia - Total Adopted Amendments	\$8,514,900	\$0	\$0	\$0
University of Mary Washington				
UMW - IT Infrastructure Modernization	\$3,500,000	\$0	\$0	\$0
UMW - Maintain Affordability	\$1,171,300	\$0	\$0	\$0
UMW - Nursing Workforce	\$740,000	\$0	\$0	\$0
UMW - Undergraduate Financial Aid	\$234,000	\$0	\$0	\$0
Adjust appropriation to correct base budget adjustments	\$0	\$0	\$0	\$0
University of Mary Washington - Total Adopted Amendments	\$5,645,300	\$0	\$0	\$0
University of Virginia				
UVA - Maintain Affordability	\$5,976,700	\$0	\$0	\$0
UVA - Undergraduate Financial Aid	\$312,000	\$0	\$0	\$0
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$35,412,774
University of Virginia - Total Adopted Amendments	\$6,288,700	\$0	\$0	\$35,412,774
University of Virginia Medical Center				
Increase nongeneral fund appropriation	\$0	\$0	\$8,314,754	\$120,447,299
University of Virginia Medical Center - Total Adopted Amendments	\$0	\$0	\$8,314,754	\$120,447,299
University of Virginia's College at Wise				
UVA-Wise - Support Enrollment, Retention, and Tuition Moderation	\$500,000	\$0	\$0	\$0
UVA-Wise - Maintain Affordability	\$481,800	\$0	\$0	\$0
UVA-Wise - Undergraduate Financial Aid	\$141,000	\$0	\$0	\$0
Increase federal appropriation	\$0	\$0	\$0	\$6,682,041
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$2,218,487
University of Virginia's College at Wise - Total Adopted Amendments	\$1,122,800	\$0	\$0	\$8,900,528
Virginia Commonwealth University				
VCU - Maintain Affordability	\$7,263,200	\$0	\$0	\$0
VCU - Undergraduate Financial Aid	\$2,115,000	\$0	\$0	\$0
Adjust nongeneral fund appropriation to reflect anticipated revenue and operations	\$0	\$0	\$0	\$61,000,000

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Virginia Commonwealth University - Total Adopted Amendments	\$9,378,200	\$0	\$0	\$61,000,000
Virginia Community College System				
VCCS - Maintain Affordability	\$7,642,100	\$0	\$0	\$0
VCCS - Undergraduate Financial Aid	\$2,836,000	\$0	\$0	\$0
VCCS - Aviation Maintenance Technician (AMT) training at Blue Ridge CC and Danville CC	\$1,611,000	\$0	\$0	\$0
VCCS - A. L. Philpott Manufacturing Extension Partnership / GENEDGE Alliance	\$500,000	\$0	\$500,000	\$0
VCCS - Automotive and Building Maintenance Skilled Trades Training	\$250,000	\$0	\$0	\$0
Virginia Community College System - Total Adopted Amendments	\$12,839,100	\$0	\$500,000	\$0
Virginia Cooperative Extension and Agricultural Experiment Station				
Provide funding for advanced equipment and infrastructure	\$750,000	\$0	\$0	\$0
Virginia Cooperative Extension and Agricultural Experiment Station - Total Adopted Amendments	\$750,000	\$0	\$0	\$0
Virginia Institute of Marine Science				
VIMS - Water Quality Study	\$880,000	\$0	\$0	\$0
VIMS - Virginia Sea Grant	\$585,000	\$0	\$0	\$0
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
Virginia Institute of Marine Science - Total Adopted Amendments	\$1,465,000	\$910,772	\$0	\$0
Virginia Military Institute				
VMI - Maintain Affordability	\$580,100	\$0	\$0	\$0
VMI - Unique Military Activities	\$325,000	\$0	\$0	\$0
VMI - Enhance Academic Programs	\$256,000	\$0	\$0	\$0
VMI - Undergraduate Financial Aid	\$65,000	\$0	\$0	\$0
Virginia Military Institute - Total Adopted Amendments	\$1,226,100	\$0	\$0	\$0
Virginia Polytechnic Institute and State University				
VT - Increased enrollment at Virginia Tech Carilion School of Medicine (VTCOM)	\$6,500,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
VT - Maintain Affordability	\$6,383,000	\$0	\$0	\$0
VT - Undergraduate Financial Aid	\$1,337,000	\$0	\$0	\$0
VT - Unique Military Activities	\$325,000	\$0	\$0	\$0
Increase student financial assistance appropriation	\$0	\$0	\$0	\$11,868,281
Increase auxiliary enterprise appropriation	\$0	\$0	\$0	\$17,925,157
Increase sponsored program appropriation	\$0	\$0	\$0	\$68,290,911
Increase higher education operating appropriation	\$0	\$0	\$0	\$40,516,029
Virginia Polytechnic Institute and State University - Total Adopted Amendments	\$14,545,000	\$0	\$0	\$138,600,378
Virginia State University				
VSU - Public and Private HBCU Collaboration	\$10,000,000	\$0	\$0	\$0
VSU - Maintain Affordability	\$1,210,100	\$0	\$0	\$0
VSU - Undergraduate Financial Aid	\$628,000	\$0	\$0	\$0
Increase federal appropriation	\$0	\$0	\$0	\$5,000,000
Increase nongeneral fund appropriation	\$0	\$0	\$0	\$1,500,000
Increase auxiliary fund appropriation	\$0	\$0	\$0	\$22,000,000
Virginia State University - Total Adopted Amendments	\$11,838,100	\$0	\$0	\$28,500,000
Education (Higher Ed) - Total Adopted Amendments	\$196,046,172	\$57,316,721	\$24,354,754	\$409,820,342
Education (K-12)				
Department of Education, Central Office Operations				
DOE - Math Initiative and Grant Program	\$11,000,000	\$1,000,000	\$0	\$0
Amendment 44: Support increased cost of assessment contract extensions	\$6,226,381	\$19,541,151	\$0	\$0
DOE - Learning Management System	\$5,138,000	\$0	\$0	\$0
DOE - Virginia IEP System Enhancements	\$5,000,000	\$0	\$0	\$0
Implement new state assessment contract	\$500,000	\$0	\$0	\$0
Increase federal appropriation	\$0	\$0	\$0	\$14,756,138
Department of Education, Central Office Operations - Total Adopted Amendments	\$27,864,381	\$20,541,151	\$0	\$14,756,138
Direct Aid to Public Education				
Direct Aid - Teacher Bonus	\$134,399,957	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Update English Language Learner data	\$48,806,812	\$61,878,962	\$0	\$0
Employee Child Care Assistance Pilot Program	\$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
Technical - Fairfax County Early Reading Intervention	\$2,664,007	\$2,669,076	\$0	\$0
Additional Support for Community Schools	\$2,500,000	\$0	\$0	\$0
Technical - School Breakfast	\$2,454,974	\$2,704,111	\$0	\$0
Virginia Alliance of Boys and Girls Clubs	\$1,000,000	\$0	\$0	\$0
Mathews - Asbestos Removal	\$1,000,000	\$0	\$0	\$0
Children's Museum of Richmond	\$750,000	\$0	\$0	\$0
eMediaVA	\$750,000	\$0	\$0	\$0
PBS Appalachia	\$750,000	\$0	\$0	\$0
Blue Ridge PBS	\$750,000	\$0	\$0	\$0
Excel Center - Goodwill Industries of the Valleys	\$500,000	\$0	\$0	\$0
Greater Peninsula C.A.R.E.S.	\$500,000	\$0	\$0	\$0
Opportunity Scholars Program Expansion	\$500,000	\$0	\$0	\$0
YMCA of South Hampton Roads	\$500,000	\$0	\$0	\$0
Dolly Parton Imagination Library	\$500,000	\$0	\$0	\$0
HB 1833 - Small Family Day Home Provider Incentive Pilot Program	\$400,000	\$0	\$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
Support for UBU 100/My Life Coach Academy	\$250,000	\$0	\$0	\$0
Teach for America	\$250,000	\$0	\$0	\$0
Virginia Holocaust Museum	\$125,000	\$0	\$0	\$0
New Chesapeake Men for Progress Education Foundation	\$100,000	\$0	\$0	\$0
Direct Aid - Raise Support Cap to Prevailing Ratio of 27.89 per 1,000 Students	\$0	\$222,915,021	\$0	\$0
Special Education Add-On	\$0	\$52,782,732	\$0	\$0
Virginia Leads Innovation Network	\$0	\$250,000	\$0	\$0
Increase funding for vision screening grants	\$0	\$200,000	\$0	\$0
AP, IB, and Cambridge Assessment Exam Fee Reduction	\$0	\$150,000	\$0	\$0
Increase support for school construction	\$0	\$0	\$120,000,000	\$30,000,000

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Amendment 55: Increase support for school construction	\$0	\$0	\$50,000,000	\$0
Increase federal appropriation	\$0	\$0	\$356,667,442	\$356,667,442
Update sales tax distribution for school age population	\$0	(\$1,611,338)	\$0	\$0
Direct Aid - Lottery Proceeds	\$0	(\$23,999,995)	\$0	\$23,999,995
Literary Fund Support for Teacher Retirement	\$0	(\$25,000,000)	\$0	\$25,000,000
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
Direct Aid to Public Education - Total Adopted Amendments	\$196,632,534	\$300,740,362	\$567,565,491	\$458,076,586

Virginia School for

Amendment 62: Authorize establishment of campus police department	\$0	\$75,000	\$0	\$0
Virginia School for - Total Adopted Amendments	\$0	\$75,000	\$0	\$0

Education (K-12) - Total Adopted Amendments	\$224,496,915	\$321,356,513	\$567,565,491	\$472,832,724
--	----------------------	----------------------	----------------------	----------------------

Education (Other Ed)

The Library Of Virginia

Support the Print Collections Inventory Control Project	\$5,154,313	\$0	\$0	\$0
Library of VA - State Aid to Local Libraries	\$0	\$632,142	\$0	\$0
Increase Circuit Court Records Program nongeneral fund appropriation	\$0	\$0	\$0	\$4,800,000
The Library Of Virginia - Total Adopted Amendments	\$5,154,313	\$632,142	\$0	\$4,800,000

The Science Museum of Virginia

Science Museum of VA - Operating Support	\$0	\$250,000	\$0	\$0
The Science Museum of Virginia - Total Adopted Amendments	\$0	\$250,000	\$0	\$0

Virginia Commission for the Arts

VCA - Grant Funding	\$2,000,000	\$0	\$0	\$0
VCA - Support for the Elegba Folklore Society	\$150,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Virginia Commission for the Arts - Total Adopted Amendments	\$2,150,000	\$0	\$0	\$0
Virginia Museum of Fine Arts				
Redevelop digital education and collection resources	\$248,909	\$0	\$0	\$0
Virginia Museum of Fine Arts - Total Adopted Amendments	\$248,909	\$0	\$0	\$0
Virginia Museum of Natural History				
VMNH: Additional Support for VMNH	\$0	\$73,000	\$0	\$0
Virginia Museum of Natural History - Total Adopted Amendments	\$0	\$73,000	\$0	\$0
Education (Other Ed) - Total Adopted Amendments	\$7,553,222	\$955,142	\$0	\$4,800,000

Finance

Department of Accounts

Add staff assistant directors	\$0	\$384,188	\$0	\$0
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
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
Implement application and source code security	\$0	\$55,565	\$0	\$0

Department of Accounts - Total Adopted Amendments

\$0 \$1,993,817 \$0 \$0

Department of Accounts Transfer Payments

Appropriate required Revenue Reserve Fund deposit	\$294,482,240	\$0	\$0	\$0
Florence Neal Cooper Endowment for Sickle Cell Disease	\$500,000	\$0	\$0	\$0

Department of Accounts Transfer Payments - Total Adopted Amendments

\$294,982,240 \$0 \$0 \$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department of Taxation				
Provide Income Tax Rebate	\$977,780,000	\$0	\$0	\$0
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
Administrative Costs for Tax Relief	\$763,000	\$0	\$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
Department of Taxation - Total Adopted Amendments	\$1,112,007,244	\$8,184,116	\$0	\$0
Department of the Treasury				
Administrative Costs for Tax Relief	\$1,615,000	\$0	\$0	\$0
Wrongful Incarceration Compensation	\$0	\$9,003,762	\$0	\$0
Provide adequate staffing for trust accounting unit	\$0	\$114,092	\$0	\$38,031
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
HB 1606 / SB 996: Unclaimed Property	\$0	\$0	\$215,000	\$600,000
Department of the Treasury - Total Adopted Amendments	\$1,615,000	\$9,250,866	\$215,000	\$776,679
Treasury Board				
Adjust debt service estimates	(\$12,112,253)	(\$42,281,099)	\$0	\$0
Treasury Board - Total Adopted Amendments	(\$12,112,253)	(\$42,281,099)	\$0	\$0
Finance - Total Adopted Amendments	\$1,396,492,231	(\$22,852,300)	\$215,000	\$776,679
Health and Human Resources				
Children's Services Act				
Fund forecast for services provided to at risk youth	\$37,042,723	\$63,309,008	\$0	\$0
Increase administrative budget for essential functions	\$0	\$58,540	\$0	\$0
Children's Services Act - Total Adopted Amendments	\$37,042,723	\$63,367,548	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department for Aging and Rehabilitative Services				
Eastern Shore AAA/CAA - Hare Valley School Building Improvements	\$1,300,000	\$0	\$0	\$0
Brain Injury Community Services	\$0	\$750,000	\$0	\$0
Areas Agencies on Aging Funding	\$0	\$750,000	\$0	\$0
Brain Injury Services Workforce Retention	\$0	\$600,000	\$0	\$0
Fund Villages Exchange Statewide	\$0	\$400,000	\$0	\$0
Interdisciplinary Plan of Care and Dementia Case Management	\$0	\$400,000	\$0	\$0
Centers for Independent Living	\$0	\$300,000	\$0	\$0
Increase indirect cost appropriation to reflect revenue	\$0	\$0	\$0	\$1,654,454
Adjust vocational rehabilitation appropriation to reflect increase in grant revenue	\$0	\$0	\$0	\$6,514,834
Department for Aging and Rehabilitative Services - Total Adopted Amendments	\$1,300,000	\$3,200,000	\$0	\$8,169,288
Department for the Blind and Vision Impaired				
Radio Reading Services	\$20,000	\$0	\$0	\$0
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
Increase enterprise nongeneral fund appropriation	\$0	\$0	\$0	\$5,000,000
Department for the Blind and Vision Impaired - Total Adopted Amendments	\$20,000	\$1,374,966	\$0	\$5,492,520
Department for the Deaf and Hard-Of-Hearing				
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
Department for the Deaf and Hard-Of-Hearing - Total Adopted Amendments	\$50,000	\$74,544	\$0	\$0
Department of Behavioral Health and Developmental Services				
Provide funding for developmental disability services and quality assurance	\$0	\$4,576,719	\$0	\$532,410
Provide funding for special conservators of the peace at private hospitals	\$0	\$4,151,155	\$0	\$0
Sustain the Adult Psychiatric Access Line	\$0	\$1,534,100	\$0	\$0
Support Outpatient Competency Restoration	\$0	\$1,500,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Expand Boost!	\$0	\$1,100,000	\$0	\$0
Support Pilot Programs for Individuals with Dementia and Geriatric Individuals	\$0	\$1,000,000	\$0	\$0
Fund administrative costs of new developmental disability Medicaid waiver slots	\$0	\$956,262	\$0	\$1,472,262
Expand Adult Psychiatric Access Line	\$0	\$750,000	\$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
SB 838: Recovery Homes Workgroup	\$0	\$115,846	\$0	\$0
Support RAFT Program	\$0	\$100,000	\$0	\$0
Address problem gambling in Virginia	\$0	\$0	\$0	\$1,461,281
Problem Gambling and Support Services	\$0	\$0	\$0	\$500,000
Department of Behavioral Health and Developmental Services - Total Adopted Amendments	\$0	\$16,794,003	\$0	\$3,965,953
Department of Health				
Grants for Drinking Water Projects	\$25,000,000		\$0	\$0
Improve Emergency Response in Greensville County	\$1,250,000		\$0	\$0
Free Clinic of Central Virginia	\$450,000		\$0	\$0
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
Non-Emergency Medical Transportation Services in Rural Areas	\$0	\$1,000,000	\$0	\$0
Continue support for the Division of Disease Prevention due to decreased federal support	\$0	\$1,000,000	\$0	\$0
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
HB 2446: Perinatal & Postpartum Depression Education	\$0	\$553,200	\$0	\$0
Support rent increases at local health department facilities	\$0	\$546,266	\$0	\$421,680
Free Clinic Funding	\$0	\$500,000	\$0	\$0
Fund electronic health records system	\$0	\$500,000	\$0	\$0
Funding for Federally Qualified Health Centers	\$0	\$500,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Community Grants for Maternal Mental Health Care Programs	\$0	\$500,000	\$0	\$0
Provide support for intermediate disciplinary actions for medical care facilities	\$0	\$319,883	\$0	\$0
VDH JLARC Recommendations	\$0	\$300,000	\$0	\$0
Establish Birmingham Green Workforce Development Training Center	\$0	\$150,000	\$0	\$0
SB 1041/HB 2088: Virginia Forensic Nursing Advisory Council	\$0	\$126,188	\$0	\$0
HB 1902: Data Sharing with Prescription Monitoring Program	\$0	\$110,000	\$0	\$0
Expand Nurse Preceptor Program for CRNAs	\$0	\$100,000	\$0	\$0
Complete opioid impact reduction registry	\$0	\$0	\$0	\$100,000
Reduce excess federal appropriation	\$0	\$0	\$0	(\$68,074,469)
Department of Health - Total Adopted Amendments	\$26,818,551	\$12,328,313	\$0	(\$67,552,789)
Department of Health Professions				
HB 1902: Prescription Monitoring Program Systems Changes	\$0	\$0	\$0	\$600,000
Provide base appropriation for legal proceeds	\$0	\$0	\$0	\$575,000
Department of Health Professions - Total Adopted Amendments	\$0	\$0	\$0	\$1,175,000
Department of Medical Assistance Services				
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
Analysis of Implementing a Medicaid Single Pharmacy Manager	\$500,000	\$0	\$500,000	\$0
Provide funding for Virginia Task Force on Primary Care	\$250,000	\$0	\$250,000	\$0
HB1804: Medicaid Works Eligibility Application	\$235,000	\$0	\$235,000	\$0
Authorize implementation of 1115 serious mental illness waiver	\$162,825	\$998,595	\$337,175	\$2,521,478
Increase Nursing Home Rates	\$0	\$10,000,000	\$0	\$11,650,000
Coverage of Obesity Medications in the Medicaid Program	\$0	\$6,858,938	\$0	\$39,829,380
Medicaid Coverage: Inpatient & Residential Neurobehavioral/Neurorehabilitation Facility Services	\$0	\$1,589,297	\$0	\$3,080,226
Amendment 112: Move mobile maternal health pilot program from the Virginia Department of Health	\$0	\$1,250,000	\$0	\$1,250,000
Substance Use Disorder Services	\$0	\$1,112,831	\$0	\$7,041,468
Midwife Reimbursement Parity	\$0	\$550,322	\$0	\$782,108

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Continuous Glucose Monitoring Coverage	\$0	\$491,638	\$0	\$1,507,096
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
Ensure compliance with state and federal developmental disability waiver requirements	\$0	\$239,289	\$0	\$239,289
Unbundle long-acting injectables for serious mental illness	\$0	\$177,906	\$0	\$1,302,361
HB 1929/SB 1393: Pregnancy Mobile Application	\$0	\$159,500	\$0	\$0
Medicaid Reimbursement for Long-acting Injectables for Substance Use Disorder	\$0	\$142,593	\$0	\$428,713
Medicaid Supplemental Payments Dental Services at VCU School of Dentistry	\$0	\$0	\$0	\$3,522,726
Clarify Reimbursement for Tribal Health Clinics	\$0	(\$30,411,804)	\$0	(\$6,957,850)
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)

Department of Medical Assistance Services - Total Adopted Amendments

\$329,266,688 \$351,658,305 \$1,369,292,827 \$978,015,416

Department of Social Services

CASA Welcome Centers	\$4,000,000	\$0	\$0	\$0
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
Latisha's House	\$300,000	\$0	\$0	\$0
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
Amendment 130: Enhance security of electronic benefit cards	\$0	\$1,500,000	\$0	\$1,500,000
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
Kinship Service Expansion	\$0	\$300,000	\$0	\$0
Tonsler League	\$0	\$250,000	\$0	\$0
Fund a Multipurpose Sports Court at the Hallow by Samaritan House	\$0	\$200,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Lorton Community Action Center	\$0	\$200,000	\$0	\$0
Hanover County Campaigns and Master Plan	\$0	\$150,000	\$0	\$0
Anna Sudha Community Kitchens	\$0	\$50,000	\$0	\$0
Increase Support for Community Action Agencies	\$0	\$0	\$0	\$2,000,000
Support Cornerstones	\$0	\$0	\$0	\$250,000
Addiction Treatment Navigator	\$0	\$0	\$0	\$400,000
Child Advocacy Centers Funding Increase	\$0	\$0	\$0	\$1,000,000
Increase appropriation for local operations and the background information system	\$0	\$0	\$14,463,813	\$14,463,813
Appropriate benefits for the summer Electronic Benefits Transfer program for children	\$0	\$0	\$0	\$105,203,000
Appropriate anticipated federal energy assistance revenue	\$0	\$0	\$12,003,176	\$12,003,176
Adjust appropriations to align with agency operations	\$0	\$0	(\$25,000,000)	(\$25,000,000)
Visions of Truth	\$0	\$0	\$0	\$200,000
Northern Virginia Family Services	\$0	\$0	\$0	\$125,000
Fund the child welfare forecast	(\$14,344,210)	(\$12,992,409)	(\$9,763,277)	(\$9,243,568)
Department of Social Services - Total Adopted Amendments	(\$7,101,473)	\$9,833,495	(\$30,224,477)	\$85,469,867
Grants to Localities				
CSB Support Coordinators	\$0	\$8,700,000	\$0	\$0
Expand Marcus Alert Program	\$0	\$4,800,000	\$0	\$0
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
Grants to Localities - Total Adopted Amendments	\$0	\$16,775,444	\$0	\$0
Intellectual Disabilities Training Centers				
Fund salary alignments for trades positions at state facilities	\$0	\$146,648	\$0	\$0
Intellectual Disabilities Training Centers - Total Adopted Amendments	\$0	\$146,648	\$0	\$0
Mental Health Treatment Centers				
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

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Fund additional forensic evaluators	\$0	\$800,908	\$0	\$0
Mental Health Treatment Centers - Total Adopted Amendments	\$0	\$6,267,438	\$0	\$0
Virginia Board for People with Disabilities				
Fund interagency contract cost gap for essential administrative services	\$0	\$31,593	\$0	\$0
Virginia Board for People with Disabilities - Total Adopted Amendments	\$0	\$31,593	\$0	\$0
Health and Human Resources - Total Adopted Amendments	\$387,396,489	\$481,852,297	\$1,339,068,350	\$1,014,735,255
Independent Agencies				
Opioid Abatement Authority				
Adjust appropriation to align with anticipated revenues and awards	\$0	\$0	\$7,525,210	\$1,721,188
Opioid Abatement Authority - Total Adopted Amendments	\$0	\$0	\$7,525,210	\$1,721,188
State Corporation Commission				
HB 1641: Defrayal Costs for Mandated Coverage of Pediatric Disorders PANDAS & PANS	\$0	\$23,625	\$0	\$0
SCC: Administrative Impact of Legislation	\$0	\$0	\$0	\$800,000
Provide additional appropriation for the Commonwealth Health Reinsurance Program	\$0	\$0	\$0	\$127,821,432
Provide nongeneral fund appropriation for Central Accounts actions	\$0	\$0	\$0	\$4,615,332
Commonwealth Health Reinsurance Program Funding	(\$25,000,000)	(\$47,000,000)	\$0	\$0
State Corporation Commission - Total Adopted Amendments	(\$25,000,000)	(\$46,976,375)	\$0	\$133,236,764
Virginia Alcoholic Beverage Control Authority				
Use NGF for Increased Tobacco Investigations	\$0	\$0	\$0	\$150,000
Virginia Alcoholic Beverage Control Authority - Total Adopted Amendments	\$0	\$0	\$0	\$150,000
Virginia Lottery				
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
Virginia Lottery - Total Adopted Amendments	\$0	\$0	\$0	\$223,414,316

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Virginia Retirement System				
VRS Administrative Funding Pursuant to Legislation Adopted			\$76,000	\$685,400
Virginia Retirement System - Total Adopted Amendments			\$76,000	\$685,400
Independent Agencies - Total Adopted Amendments	(\$25,000,000)	(\$46,976,375)	\$7,601,210	\$359,207,668
Judicial				
Circuit Courts				
Increase Guardian Ad Litem Payment Rate	\$0	\$1,000,000	\$0	\$0
HB 2322: Indigent Defendant Co-Counsel	\$0	\$450,000	\$0	\$0
Reversion of Sealing Fee Fund Balances	\$0	(\$100,000)	\$0	\$0
Circuit Courts - Total Adopted Amendments	\$0	\$1,350,000	\$0	\$0
General District Courts				
General District Court Judgeships (9th & 31st)	\$0	\$624,404	\$0	\$0
General District Courts - Total Adopted Amendments	\$0	\$624,404	\$0	\$0
Indigent Defense Commission				
Additional Attorneys for the Fairfax Indigent Defense Council	\$0	\$381,000	\$0	\$0
Indigent Defense Commission Criminal Record Sealing Training	\$0	\$138,193	\$0	\$0
Increase appropriation to hire interpreter and paralegal positions	\$0	\$0	\$220,968	\$220,968
Increase appropriation to account for locality supplemental pay	\$0	\$0	\$1,254,984	\$1,254,984
Increase appropriation to account for additional Opioid Abatement Authority grant funding	\$0	\$0	\$182,995	\$185,122
Indigent Defense Commission - Total Adopted Amendments	\$0	\$519,193	\$1,658,947	\$1,661,074
Juvenile and Domestic Relations District Courts				
Juvenile and Domestic Relations Court Judgeship (2nd District)	\$0	\$312,202	\$0	\$0
Juvenile and Domestic Relations District Courts - Total Adopted Amendments	\$0	\$312,202	\$0	\$0
Supreme Court				
Fund enterprise-wide identity access management (IAM) security solution	\$718,000	\$800,000	\$0	\$0
Criminal Records Sealing Supreme Court Systems Changes	\$573,414	\$0	\$0	\$0
HB 1665: Itemized Statements	\$83,416	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Increase funding for mandated criminal sealing legislation	\$0	\$2,985,674	\$0	\$0
Increase funding for technology expenses	\$0	\$2,000,000	\$0	\$0
Supreme Court - Total Adopted Amendments	\$1,374,830	\$5,785,674	\$0	\$0

Judicial - Total Adopted Amendments	\$1,374,830	\$8,591,473	\$1,658,947	\$1,661,074
--	--------------------	--------------------	--------------------	--------------------

Labor

Department of Labor and Industry

Amendment 132: Restore funding for rent increase	\$52,370	\$52,370	\$0	\$0
Fund headquarters rent increase	\$0	\$0	\$22,872	\$22,872

Department of Labor and Industry - Total Adopted Amendments	\$52,370	\$52,370	\$22,872	\$22,872
--	-----------------	-----------------	-----------------	-----------------

Department of Professional and Occupational Regulation

Replace existing, mission-critical systems	\$0	\$0	\$0	\$2,486,600
--	-----	-----	-----	-------------

Department of Professional and Occupational Regulation - Total Adopted Amendments	\$0	\$0	\$0	\$2,486,600
--	------------	------------	------------	--------------------

Department of Workforce Development and Advancement

Hampton Roads Workforce Council Healthcare Program	\$0	\$500,000	\$0	\$0
Expand re-entry placement pilot program	\$0	\$376,935	\$0	\$0

Department of Workforce Development and Advancement - Total Adopted Amendments	\$0	\$876,935	\$0	\$0
---	------------	------------------	------------	------------

Virginia Employment Commission

Increase nongeneral fund appropriation	\$0	\$0	\$0	\$12,999,557
--	-----	-----	-----	--------------

Virginia Employment Commission - Total Adopted Amendments	\$0	\$0	\$0	\$12,999,557
--	------------	------------	------------	---------------------

Labor - Total Adopted Amendments	\$52,370	\$929,305	\$22,872	\$15,509,029
---	-----------------	------------------	-----------------	---------------------

Legislative

Capitol Square Preservation Council

Capitol Square Preservation Council	(\$262,288)	(\$262,288)	\$0	\$0
-------------------------------------	-------------	-------------	-----	-----

Capitol Square Preservation Council - Total Adopted Amendments	(\$262,288)	(\$262,288)	\$0	\$0
---	--------------------	--------------------	------------	------------

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Commission on Electric Utility Regulation				
Commission on Electric Utility Regulation	\$0	\$75,000	\$0	\$0
Commission on Electric Utility Regulation - Total Adopted Amendments	\$0	\$75,000	\$0	\$0
Commissioners for the Promotion of Uniformity of Legislation in				
Uniform Law Commission Operating Increase	\$0	\$17,600	\$0	\$0
Commissioners for the Promotion of Uniformity of Legislation in the United States - Total Adopted Amendments	\$0	\$17,600	\$0	\$0
Division of Legislative Services				
Staff Support for the Commission on Women's Health	\$0	\$120,000	\$0	\$0
Chesapeake Bay Restoration Fund Advisory Committee	\$0	\$0	\$275,325	\$0
Division of Legislative Services - Total Adopted Amendments	\$0	\$120,000	\$275,325	\$0
General Assembly of Virginia				
Joint Subcommittee to Study Elementary and Secondary Education Funding	\$1,000,000	\$0	\$0	\$0
Higher Education Joint Subcommittee	\$350,000	\$0	\$0	\$0
Commission Studying History of Uprooting of Black Communities by Public Institutions of Higher Education	\$200,000	\$0	\$0	\$0
General Assembly of Virginia - Total Adopted Amendments	\$1,550,000	\$0	\$0	\$0
Legislative Department Reversion Clearing Account				
Statue for Former Governor L. Douglas Wilder	\$750,000	\$0	\$0	\$0
Reversion of Legislative Balances	\$0	\$0	\$0	\$0
Legislative Department Reversion Clearing Account - Total Adopted Amendments	\$750,000	\$0	\$0	\$0
Virginia Commission on Intergovernmental Cooperation				
Intergovernmental Organization Dues	\$0	\$80,000	\$0	\$0
Virginia Commission on Intergovernmental Cooperation - Total Adopted Amendments	\$0	\$80,000	\$0	\$0
Virginia Freedom of Information Advisory Council				
FOIA Council	\$0	\$265,990	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Virginia Freedom of Information Advisory Council - Total Adopted Amendments	\$0	\$265,990	\$0	\$0
Virginia Housing Commission				
Virginia Housing Commission: Operational Support	\$0	\$75,000	\$0	\$0
Virginia Housing Commission - Total Adopted Amendments	\$0	\$75,000	\$0	\$0
Virginia State Crime Commission				
VSCC: Staffing Support	\$0	\$75,000	\$0	\$0
Virginia State Crime Commission - Total Adopted Amendments	\$0	\$75,000	\$0	\$0
Virginia-Israel Advisory Board				
Increase operational support	\$0	\$57,553	\$0	\$0
Virginia-Israel Advisory Board - Total Adopted Amendments	\$0	\$57,553	\$0	\$0
Legislative - Total Adopted Amendments	\$2,037,712	\$503,855	\$275,325	\$0

Natural and Historic Resources

Department of Conservation and Recreation

Community Flood Preparedness Fund	\$50,000,000	\$0	\$0	\$0
Deposit part of the surplus to the Water Quality Improvement Fund and the Virginia Natural Resources Commitment Fund	\$26,296,400	\$0	\$0	\$0
Walking Trail at Biscuit Run Park in Albemarle County	\$1,300,000	\$0	\$0	\$0
Quantico Creek Flood Mitigation	\$1,000,000	\$0	\$0	\$0
Lake Barcroft Dam	\$500,000	\$0	\$0	\$0
Lake Anna Cyanobacteria Mitigation and Remediation	\$250,000	\$0	\$0	\$0
Initiate membership in the Virginia Law Officers' Retirement System for conservation officers	\$0	\$553,000	\$0	\$0
Environmental Literacy	\$0	\$500,000	\$0	\$0
Falkland State Conservation Area Master Plan and Syndor Lodge Restoration Assessment	\$0	\$350,000	\$0	\$0
Provide support for capital outlay in the Division of Planning and Recreation Resources	\$0	\$323,846	\$0	\$0
Increase positions to provide oversight and assistance for districts	\$0	\$0	\$0	\$462,541
Provide funding for district dam rehabilitation engineers	\$0	\$0	\$0	\$355,393
Establish a nongeneral fund revenue specialist position	\$0	\$0	\$0	\$216,371

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department of Conservation and Recreation - Total Adopted Amendments	\$79,346,400	\$1,726,846	\$0	\$1,034,305
Department of Environmental Quality				
Appropriate funds to support the Richmond Combined Sewer Overflow project	\$25,000,000	\$25,000,000	\$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
Conduct Groundwater Research	\$2,300,000	\$0	\$0	\$0
Fund upgrades at the Richlands Regional Water Treatment Facility	\$1,500,000	\$0	\$0	\$0
Harmful Algal Bloom Monitoring in Shenandoah River	\$500,000	\$0	\$0	\$0
Fund Freshwater Testing for Harmful Algal Blooms	\$250,000	\$0	\$0	\$0
Meet increase in Interstate Commission on the Potomac River Basin contribution	\$0	\$53,600	\$0	\$0
Build Coal Combustion Residuals grant into the base	\$0	\$0	\$0	\$102,942
Increase federal appropriation to account for anticipated revenues	\$0	\$0	\$0	\$486,250
Department of Environmental Quality - Total Adopted Amendments	\$46,940,600	\$25,053,600	\$0	\$589,192
Department of Historic Resources				
Jamestown Flood Protection Measures	\$8,000,000	\$0	\$0	\$0
Virginia African American Cultural Center	\$1,000,000	\$0	\$0	\$0
African American Cemetery and Graves Fund	\$750,000	\$0	\$0	\$0
Douglass Cemetery	\$500,000	\$0	\$0	\$0
Increase BIPOC Fund Deposit	\$500,000	\$0	\$0	\$0
Provide funding for additional legal assistance	\$250,000	\$0	\$0	\$0
James Solomon Russell-Saint Paul's College Museum and Archives	\$150,000	\$0	\$0	\$0
Titustown Historic District Designation Surveys	\$100,000	\$0	\$0	\$0
Lynching Sites Memorialization	\$76,008	\$0	\$0	\$0
Hume School	\$50,000	\$0	\$0	\$0
DHR Operating Support	\$0	\$300,000	\$0	\$0
Department of Historic Resources - Total Adopted Amendments	\$11,376,008	\$300,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department of Wildlife Resources				
Leverage federal funds for the relocation of Virginia's largest seabird colony	\$4,431,141	\$0	\$0	\$0
Wildlife Corridor Grant Program	\$450,000	\$0	\$0	\$0
Department of Wildlife Resources - Total Adopted Amendments	\$4,881,141	\$0	\$0	\$0
Marine Resources Commission				
Retrofit office space and increase building safety	\$150,000	\$0	\$0	\$0
HB 1834 - Transfer Responsibility for Small Dredging Projects	\$0	\$0	\$0	\$4,000,000
Marine Resources Commission - Total Adopted Amendments	\$150,000	\$0	\$0	\$4,000,000
Natural and Historic Resources - Total Adopted Amendments	\$142,694,149	\$27,080,446	\$0	\$5,623,497
Public Safety and Homeland Security				
Department of Corrections				
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
Increase community corrections' use of electronic monitoring tools	\$0	\$905,000	\$0	\$0
Expand dental services for inmates	\$0	\$467,283	\$0	\$0
Corrections Special Reserve Fund Deposit	\$0	\$327,628	\$0	\$0
Provide funding for proposed 2025 Session legislation that may impact need for prison beds	\$0	\$322,372	\$0	\$0
Department of Corrections - Total Adopted Amendments	\$2,100,000	\$6,083,013	\$0	\$0
Department of Criminal Justice Services				
Adjust Appropriation Local Law-Enforcement Transportation Reimbursement	\$2,000,000	\$0	\$0	\$0
Local Drone Replacement	\$1,000,000	\$0	\$0	\$0
YWCA Richmond Domestic Violence Campus Start-Up Operational Costs	\$500,000	\$0	\$0	\$0
Fund the development of an online testing module	\$450,000	\$0	\$0	\$0
Expansion of the Safer Communities Program and Community Violence Reduction Grants	\$350,000	\$5,500,000	\$0	\$0
Sexual Assault and Domestic Violence Services Agencies	\$0	\$2,000,000	\$0	\$0
Victim Witness Grant Program	\$0	\$1,500,000	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
HB 2594 - Best Practices for Security	\$0	\$273,350	\$0	\$0
HB 2033 - Human Trafficking Awareness Training	\$0	\$106,516	\$0	\$0
Increase funding for the Drug Abuse Resistance Education (DARE) program	\$0	\$30,000	\$0	\$0
Department of Criminal Justice Services - Total Adopted Amendments	\$4,300,000	\$9,409,866	\$0	\$0
Department of Emergency Management				
Emergency Response Systems	\$2,750,000	\$0	\$0	\$0
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
Department of Emergency Management - Total Adopted Amendments	\$2,900,000	\$0	\$23,991	\$48,703
Department of Fire Programs				
Adjust Appropriation Year for Firefighter Equipment Grants	\$5,000,000	\$0	\$0	\$0
Add state fire marshal positions	\$0	\$229,430	\$0	\$0
Provide Additional Grant for Fire Support Services in Virginia Beach	\$0	\$200,000	\$0	\$0
Department of Fire Programs - Total Adopted Amendments	\$5,000,000	\$429,430	\$0	\$0
Department of Forensic Science				
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
HB 2730 / SB 1465 - State Crime Commission Mary Jane Burton Serology Study	\$0	\$108,000	\$0	\$0
Department of Forensic Science - Total Adopted Amendments	\$0	\$636,110	\$0	\$0
Department of Juvenile Justice				
Adjust Appropriation Year for Admission and Placement Funding	\$1,829,000	\$0	\$0	\$0
Provide funding to address increased costs of admissions, placements, and contracted services for committed youth	\$0	\$1,271,000	\$0	\$0
DJJ Residential Specialist Salary Increases	\$0	\$1,037,381	\$0	\$0
Department of Juvenile Justice - Total Adopted Amendments	\$1,829,000	\$2,308,381	\$0	\$0
Department of State Police				
Procure additional LiveScan machines	\$1,500,000	\$0	\$0	\$0
VSP Drone Replacement	\$1,000,000	\$0	\$0	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Criminal Record Sealing Systems Changes	\$886,171	\$687,830	\$0	\$0
Provide salary increase for sworn positions	\$0	\$2,500,000	\$0	\$0
HB 2724 - Automatic License Plate Recognition Systems	\$0	\$318,251	\$0	\$0
HB 1728 - CCTV Use by Child Victims and Witnesses	\$0	\$200,000	\$0	\$0
Provide nongeneral fund support for Virginia Criminal Information Network (VCIN) upgrades	\$0	\$0	\$0	\$2,208,800
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
Remove general fund appropriation for vetoed legislation	(\$234,360)	\$0	\$0	\$0
Department of State Police - Total Adopted Amendments	\$3,151,811	\$3,706,081	\$0	\$11,493,800
Virginia Parole Board				
Provide additional positions to support agency operations	\$0	\$145,915	\$0	\$0
Virginia Parole Board - Total Adopted Amendments	\$0	\$145,915	\$0	\$0
Public Safety and Homeland Security - Total Adopted Amendments	\$19,280,811	\$22,718,796	\$23,991	\$11,542,503
Transportation				
Department of Aviation				
Support authorized salary increases	\$0	\$0	\$0	\$280,247
Support health insurance increase	\$0	\$0	\$0	\$39,156
Department of Aviation - Total Adopted Amendments	\$0	\$0	\$0	\$319,403
Department of Motor Vehicles				
Support mainframe replacement project	\$0	\$0	\$0	\$25,000,000
Department of Motor Vehicles - Total Adopted Amendments	\$0	\$0	\$0	\$25,000,000
Department of Motor Vehicles Transfer Payments				
Align appropriation with increased collections and payments for mobile home sales tax	\$0	\$0	\$2,500,000	\$2,500,000

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Department of Motor Vehicles Transfer Payments - Total Adopted Amendments	\$0	\$0	\$2,500,000	\$2,500,000
Department of Rail and Public Transportation				
Update support for the Washington Metropolitan Area Transit Authority	\$76,700,000	(\$84,500,000)	\$0	\$0
Support for Hampton Roads Transit	\$200,000	\$0	\$0	\$0
Department of Rail and Public Transportation - Total Adopted Amendments	\$76,900,000	(\$84,500,000)	\$0	\$0
Department of Transportation				
Appropriate general fund surplus dedicated to Interstate 81	\$175,000,000	\$0	\$0	\$0
Funding for VDOT to Complete Highway Equity Study	\$250,000	\$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)
Department of Transportation - Total Adopted Amendments	\$175,250,000	\$0	\$313,270,378	(\$106,869,552)
Department of Transportation Transfer Payments				
Adjust appropriations to reflect the financial plan	\$0	\$0	(\$4,077,876)	(\$1,600,705)
Adjust appropriation based on new revenue estimates to support regional transportation programs	\$0	\$0	\$0	\$58,589,455
Department of Transportation Transfer Payments - Total Adopted Amendments	\$0	\$0	(\$4,077,876)	\$56,988,750
Virginia Commercial Space Flight Authority				
Align appropriation with anticipated revenues	\$0	\$0	\$96,903	\$1,022,591
Virginia Commercial Space Flight Authority - Total Adopted Amendments	\$0	\$0	\$96,903	\$1,022,591
Virginia Port Authority				
Support dredging project	\$1,000,000	\$0	\$0	\$0
Virginia International Gateway Terminal	\$0	\$0	\$0	\$300,000,000
Virginia International Gateway Terminal	\$0	\$0	\$0	\$23,000,000
HB 1834 - Transfer Responsibility for Small Dredging Projects to VMRC	\$0	\$0	\$0	(\$4,000,000)
Amendment 171: Modify fund source for NOAA PORTS sensor stations	\$0	\$0	\$325,000	\$0

	FY 2025 GF	FY 2026 GF	FY 2025 NGF	FY 2026 NGF
Virginia Port Authority - Total Adopted Amendments	\$1,000,000	\$0	\$325,000	\$319,000,000
Transportation - Total Adopted Amendments	\$253,150,000	(\$84,500,000)	\$312,114,405	\$297,961,192
Veterans and Defense Affairs				
Department of Military Affairs				
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
Department of Military Affairs - Total Adopted Amendments	\$0	\$0	\$858,540	\$962,500
Department of Veterans Services				
Support start-up operations at Jones & Cabacoy and Puller Veterans Care Centers	\$1,660,000	\$0	\$0	\$0
Support information technology systems	\$812,142	\$241,721	\$0	\$0
HB 2071 - Identification of Incarcerated Veterans	\$0	\$113,742	\$0	\$0
Use NGF Balances for VCC Startup Costs	\$0	\$0	\$3,000,000	\$0
Department of Veterans Services - Total Adopted Amendments	\$2,472,142	\$355,463	\$3,000,000	\$0
Veterans Services Foundation				
Increase general fund support for wage position	\$0	\$31,200	\$0	\$0
Support website security and maintenance	\$0	\$12,000	\$0	\$0
Veterans Services Foundation - Total Adopted Amendments	\$0	\$43,200	\$0	\$0
Veterans and Defense Affairs - Total Adopted Amendments	\$2,472,142	\$398,663	\$3,858,540	\$962,500