




REPORT OF THE SUBCOMMITTEE ON GENERAL GOVERNMENT

SENATE FINANCE &
APPROPRIATIONS COMMITTEE
FEBRUARY 2, 2025





SENATE OF VIRGINIA

Senate Finance & Appropriations Committee

Report of the General Government Subcommittee
The Honorable Scott A. Surovell, Chair
February 2, 2025

Madam Chair and Members of the Committee,

The General Government Subcommittee has reviewed the provisions of Senate Bill 800 that fall under its purview. The areas contained within the General Government Subcommittee include compensation, retirement, and a variety of agencies across the executive, legislative, and judicial branches.

The Commonwealth's public workforce is vital for providing high-quality and efficient services to Virginians. Recognizing the importance of retaining the state workforce, the Subcommittee recommends \$83.1 million GF to provide a one and one-half percent bonus to state employees, state-supported local employees, and full-time faculty. The bonus will be included in the June 16, 2025, paycheck and is in addition to the three percent salary increase included in the budget adopted last year.

The Subcommittee adopts the \$131.0 million GF for the replacement of the Department of Taxation's core tax processing system. A modern system will improve the taxpayer experience, enhance revenue collections, and minimize system failure and cybersecurity risks. In addition, the new system will allow the Commonwealth to offer an electronic filing option for all Virginians.

Additionally, the Subcommittee is recommending investments in the Commonwealth's judicial system, which is critical for ensuring fairness and due process for our citizens. The Subcommittee report includes \$6.7 million GF to support implementation of criminal record sealing for individuals with lower-level offenses and \$1.0 million GF is included to increase

payment for guardians ad litem, who represent the best interests of children and other vulnerable individuals in court.

As I conclude, I would like to thank the members of the Subcommittee for the time they invested in putting this report together. With that, I hope it will be the pleasure of the Committee to adopt the Subcommittee's amendments.

Respectfully Submitted,

The Honorable Scott A. Surovell, Chair

The Honorable David W. Marsden

The Honorable Adam P. Ebbin

The Honorable Jeremy S. McPike

The Honorable Todd E. Pillion

Report of the Subcommittee on General Government (February 2, 2025)

(Proposed Amendments to SB 800, as Introduced, 2025 Session)

	Amendment	General Fund		
		FY 2025	FY 2026	Biennium
1	Legislative Department			
2	GA: Fund Fully Benefited Second Legislative Aide	\$ -	\$ 1,800,000	\$ 1,800,000
3	GA: Legislator Compensation Commission	\$ -	\$ 5,400	\$ 5,400
4	GA: Jt. Subcommittee for Higher Education	\$ 350,000	\$ -	\$ 350,000
5	GA: Legislative Workgroup On Use of Surplus 529 Funds		Language	
6	DLS: Commission on Women's Health	\$ -	\$ 150,000	\$ 150,000
7	DLS: Increase Position Level by Three		FTEs	FTEs
8	DLS: Uniform Law Commission	\$ -	\$ 20,000	\$ 20,000
9	DLS: Gaming Commission Technical Workgroup		Language	
10	DLS: Compensation		Language	
11	DLAS: Legislative Systems Development		Language	
12	Virginia-Israel Advisory Board Operational Support	\$ -	\$ (57,553)	\$ (57,553)
13	Chesapeake Bay Restoration Advisory Fund Committee (NGF)		NGF \$ -	NGF
14	Virginia Housing Commission Operations	\$ -	\$ 150,000	\$ 150,000
15	FOIA Council Position	\$ -	\$ 160,000	\$ 160,000
16	Commission on Electric Utility Regulation Operations	\$ -	\$ 150,000	\$ 150,000
17	Intergovernmental Dues	\$ -	\$ 50,000	\$ 50,000
18	Various Language Amendments		Language	
19	Total Legislative Department	\$ 350,000	\$ 2,427,847	\$ 2,777,847
20				
21	Judicial Department			
22	Judgeships (2nd, 9th, & 31st Judicial Districts)	\$ -	\$ 936,606	\$ 936,606
23	Increase Guardian Ad Litem Rate	\$ -	\$ 1,000,000	\$ 1,000,000
24	Fairfax Judicial Center Initiative	\$ 150,000	\$ -	\$ 150,000
25	SB 1466 - Support Implementation of Criminal Record Sealing	\$ 600,561	\$ -	\$ 600,561
26	SB 1466 - Remove Sealing Fee Fund	\$ -	\$ (100,000)	\$ (100,000)
27	Indigent Defense Commission Criminal Record Sealing Training	\$ -	\$ 138,193	\$ 138,193
28	Defer Access Management IT Project	\$ (718,000)	\$ (800,000)	\$ (1,518,000)
29	Adjust Funding Increase for Technology Expenses	\$ -	\$ (1,000,000)	\$ (1,000,000)
30	Total Judicial Department	\$ 32,561	\$ 174,799	\$ 207,360
31				

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(Proposed Amendments to SB 800, as Introduced, 2025 Session)

Amendment	General Fund		
	FY 2025	FY 2026	Biennium
32 Executive Offices			
33 Rate Payer Protection Staff	\$ -	\$ (277,077)	\$ (277,077)
34 Operation Ceasefire in Northern Virginia	\$ -	\$ (192,260)	\$ (192,260)
35 Electronic Nicotine Delivery System Directory Start-Up Costs	\$ (90,000)	\$ -	\$ (90,000)
36 Regulatory, Consumer Advocacy, Litigation and Revolving Fund (NGF)	\$ -	NGF	NGF
37 Total Executive Offices	\$ (90,000)	\$ (469,337)	\$ (559,337)
38			
39 Office of Administration			
40 COMP BOARD: Defer Sheriffs' Dispatcher Salary Increase	\$ -	\$ (1,355,002)	\$ (1,355,002)
41 COMP BOARD: Circuit Court Clerks' Offices Positions	\$ -	\$ 1,506,638	\$ 1,506,638
42 COMP BOARD: Commonwealth's Attorneys' Offices Positions	\$ -	\$ 1,569,534	\$ 1,569,534
43 COMP BOARD: Convert Bath and Highland County Commonwealth's Attorneys to Full-Time Status	\$ -	\$ 270,970	\$ 270,970
44 DHRM: Commonwealth Leadership Academy	\$ (100,000)	\$ (100,000)	\$ (200,000)
45 DHRM: Contracting Requirements		Language	
46 DHRM: State Health Plan Oversight		Language	
47 ELECT: Plan for Upgrades for Elections Software	\$ (500,000)	\$ -	\$ (500,000)
48 VITA: Project Management Center of Excellence	\$ (2,000,000)	\$ -	\$ (2,000,000)
49 VITA: Joint Subcommittee for Cyber Risk		Language	
50 Total Office of Administration	\$ (2,600,000)	\$ 1,892,140	\$ (707,860)
51	\$	\$	\$
52 Office of Finance			
53 DOA: Remove Four New Positions	\$ -	\$ (571,625)	\$ (571,625)
54 DOA: Cardinal Upgrades and Business Intelligence		Language	
55 DOA Transfer Payments: Repurpose Tax Credits for Immediate Relief	\$ (125,220,000)	\$ -	\$ (125,220,000)
56 TAX: Replacement of Revenue Management System		Language	
57 TAX: Administrative Costs for Tax Relief	\$ 763,000	\$ -	\$ 763,000
58 TRS: SB 996 - Unclaimed Property Administration (\$215,000 NGF in FY 2025 and \$600,000 NGF in FY 2026)		NGF	NGF
59 TRS: Administrative Costs for Tax Relief	\$ 1,300,000	\$ -	\$ 1,300,000
60 TB: Technical Correction to Bond Table		Language	
61 TB: Bond Authority Jail Projects		Language	
62 Various Language Amendments		Language	
63 Total Office of Finance	\$ (123,157,000)	\$ (571,625)	\$ (123,728,625)
64	\$	\$	\$

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(Proposed Amendments to SB 800, as Introduced, 2025 Session)

Amendment	General Fund		
	FY 2025	FY 2026	Biennium
65 Central Appropriations			
66 State Employee and State-Supported Locals Bonus of 1.5 Percent	\$ 83,057,917	\$ -	\$ 83,057,917
67 Remove Clean Energy Bank Language		Language	
68 Capture Remaining Transformation Office Balances		Language	
69 Total Central Appropriations	\$ 83,057,917	\$ -	\$ 83,057,917
70	\$	\$	\$
71 Independent Agencies			
72 SB 1060 - ABC Retail Tobacco Permitting and Enforcement	\$ -	NGF	NGF
73 SB 970 - Cannabis Control Authority Loan for Operational Funding		Language	
74 OAA: Modify COAR Table		Language	
75 SCC: Administrative Impact from Legislation (NGF)	\$ -	NGF	NGF
76 SCC: Reinsurance Program Unneeded Funds (Capture FY 2024 Balance)	\$ (25,000,000)	\$ (47,000,000)	\$ (72,000,000)
77 SCC: Shared Solar Program Commencement of Proceeding		Language	
78 VRS: Administrative Impact from Legislation (NGF)	\$ -	NGF	NGF
79 VRS: Review Impact of Pension on Employee Retention and Recruitment		Language	
80 LOTTERY: Remove Treasury Loan Authorization		Language	
81 CSP: Remove Transfer Authority for Surplus Funds		Language	
82 CSP: Appropriation Authority		Language	
83 Establish Office of Medicaid Financial Oversight	\$ -	\$ 1,094,680	\$ 1,094,680
84 Total Independent Agencies	\$ (25,000,000)	\$ (45,905,320)	\$ (70,905,320)
85			
86 Other General Government			
87 Various Language Amendments		Language	
88		Language	
89 Part 3 - Miscellaneous			
90 Remove New Working Capital Advances and Lines of Credit		Language	
91 Various Transfers and Adjustments		Language	
92			
93 Part 4 - General Provisions			
94 Process to Review Reductions in Federal Grants		Language	
95 Restore Coverage of Abortion Services Per State Statute		Language	
96 Modify Appropriation Transfer Authority		Language	
97 Clarify Position Level Requirements		Language	

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(Proposed Amendments to SB 800, as Introduced, 2025 Session)

Amendment		General Fund		
		FY 2025	FY 2026	Biennium
98	Prohibition on Extending Credit or Loans to Third Parties		Language	
99	Various Language Amendments		Language	
100				
101	Additional Enactments			
102	Legislative Standing to Intervene		Language	
103	Worker's Compensation - PTSD Coverage		Language	

Item 64 #1s

Administration	FY24-25	FY25-26	
Compensation Board	\$0	\$1,569,534	GF

Language:

Page 63, line 17, strike "\$104,851,189" and insert "\$106,420,723".

Page 65, after line 47, insert:

"L. Included in this appropriation is \$1,569,534 the second year from the general fund for the allocation of 68 additional Commonwealth's Attorney positions, effective March 1, 2026. Localities shall utilize such funding to supplement, not supplant, local funds provided for salaries of Commonwealth's Attorneys and their employees."

Explanation:

(This amendment provides \$1.6 million GF the second year to Commonwealth's Attorneys' offices to support increased workloads. Funding is sufficient to cover 68.0 additional Assistant Commonwealth's Attorneys, prorated for a start date of March 1, 2026, to align with the July 1, 2026, effective date in Senate Bill 1466, as it passed the Senate Finance and Appropriations Committee. Language requires offices to use this funding to supplement, not supplant, local funds provided for Commonwealth's Attorneys and their employees.)

Item 479 #1s

Independent Agencies	FY24-25	FY25-26	
State Corporation Commission	(\$25,000,000)	(\$47,000,000)	GF

Language:

Page 595, line 8, strike "\$408,828,801" and insert "\$383,828,801".

Page 595, line 9, strike "\$604,053,109" and insert "\$557,053,109".

Page 595, line 37, after "C.", insert "'1".

Page 595, line 37, strike "\$25,000,000 the first year and \$67,000,000" and insert "\$20,000,000".

Page 595, after line 40, insert:

"2. The Director, Department of Planning and Budget shall unallot on or before June 30, 2025, \$20,000,000 from the general fund in this item, which reflects unused balances in the Commonwealth Health Reinsurance Program."

Explanation:

(This amendment reduces \$25.0 million GF the first year and \$47.0 million GF the second year for the Commonwealth Health Reinsurance Program. In addition, \$20.0 million from the FY 2024 GF balance is also reverted to the general fund. The federal

awards for the program have exceeded projections reducing any state funding required in this biennium. This action leaves \$20.0 million GF for any potential future state costs.)

Item 484 #1s

Independent Agencies

Virginia Retirement System

Language

Language:

Page 600, after line 36, insert:

"J. The Virginia Retirement System (VRS) shall coordinate with the Department of Education, the Department of Human Resource Management, the Virginia Association of Counties, Virginia Municipal League, the Virginia School Boards Association, and stakeholders for state and local government employees to determine whether the elimination of the traditional Virginia Retirement System defined benefit pension has affected the Commonwealth and localities' ability to retain and recruit state and local government employees including, but not limited, to teachers. VRS shall report its findings to the Governor and the General Assembly by December 1, 2025."

Explanation:

(This amendment directs the Virginia Retirement System to coordinate with the Department of Education, the Department of Human Resource Management, the Virginia Association of Counties, Virginia Municipal League, the Virginia School Boards Association, and stakeholders for state and local government employees to determine whether the elimination of the traditional Virginia Retirement System defined benefit pension has affected the Commonwealth and localities' ability to retain and recruit state and local government employees, including but not limited, to teachers.)
