Item 0 #1s

Revenues

Revenues	Language

Language:

Page 1, strike lines 3 through 8 and insert:
"A BILL for all appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, and to provide a portion of the revenues for the two years ending respectively on the thirtieth day of June, 2027, and the thirtieth day of June, 2028; a BILL to amend and reenact §§ 58.1-322.03, 58.1-339.8, 58.1-602, 58.1-605, 58.1-605.1, and 58.1-606.1 of the Code of Virginia; and a Bill to amend the Code of Virginia by adding in Title 2.2 a chapter numbered 55.7, consisting of a section numbered 2.2-5518".
Page 1, strike lines 25 through 32, and insert:"

	First Year	Second Year	Total
Unreserved Beginning Balance	$2,901,898,593	$0	$2,901,898,593
Additions to Balance	$8,902,250	($500,000)	$8,402,250
Official Revenue Estimates	$34,668,018,516	$36,144,776,043	$70,812,794,559
Transfer	$1,110,156,237	$923,173,601	$2,033,329,838
Total General Fund Resources Available for Appropriation	$38,669,975,596	$37,067,449,644	$75,756,425,240"

Page 1, strike lines 34 through 44, and insert:"

	First Year	Second Year	Total
Balance, June 30, 2024	$13,494,379,594	$0	$13,494,379,594
Official Revenue Estimates	$58,436,040,778	$59,320,597,446	$117,756,638,224
Lottery Proceeds Fund	$895,725,168	$877,725,168	$1,755,450,336
Internal Service Fund	$2,703,466,322	$2,707,118,410	$5,410,584,732
Bond Proceeds	$898,404,296	$70,000,000	$968,404,296
Total Nongeneral Fund Revenues Available for Appropriation	$76,428,016,158	$62,975,441,024	$139,403,457,182

TOTAL PROJECTED			
REVENUES	$115,116,991,657	$100,042,890,668	$215,159,882,325"

Explanation:

(This amendment modifies the front page to reflect changes to resources as proposed by the Senate conferees.)

Item 1 #1s

Legislative Department	FY26-27	FY27-28	
General Assembly of Virginia	$10,000	$0	GF

Language:

Page 3, line 5, strike "$67,511,846" and insert "$67,521,846".
Page 10, line 28, after "P.", insert "1.".
Page 10, line 37, strike the first reference of "$15,000", and insert "$25,000".
Page 11, after line 40, insert:
"2. Out of the appropriation included in the table above, $10,000 the first year from the general fund for the Commission on Civic Education shall be provided for the one-time purpose of developing and maintaining a website for the Commission."

Explanation:

(This amendment provides $10,000 GF the first year for the the Commission on Civic Education to support development and maintenance of a Commission website. The website will include student resources, educator resources, information on the annual Civic Education Summit, content from Summit presenters, and a teacher advertising campaign regarding the Summit. The Commission is working with VPAP.org on the website.)

Item 1 #2s

Legislative Department	FY26-27	FY27-28	
General Assembly of Virginia	$0	$2,131,489	GF

Language:

Page 3, line 5, strike "$67,511,846" and insert "$69,643,335".
Page 3, line 20, after "$17,640 per year", insert "through January 31, 2028, and shall be $50,000

thereafter".
Page 3, line 20, after "$18,000 per year", insert "through January 31, 2028, and shall be $50,000 thereafter".

Explanation:

(This amendment provides $2.1 million GF the second year to increase the salary of the members of the General Assembly to $50,000 a year from current levels for all Senators and Delegates. This increase would be effective in February 2028, after the next election of the General Assembly.)

Item 1 #3s

Legislative Department	**FY26-27**	**FY27-28**	
General Assembly of Virginia	$46,984	$46,984	GF

Language:

Page 3, line 5, strike "$67,511,846" and insert "$67,558,830".
Page 3, line 5, strike "$67,511,846" and insert "$67,558,830".
Page 11, after line 1, insert:

"Distributed Energy Resources Task Force	Chapters 997 and 1042, 2026 Session	$4,800	$4,800"

Page 11, after line 35, insert:

"Virginia Boys and Men Advisory Commission	Chapters 749 and 750, 2026 Session	$42,184	$42,184"

Page 10, line 28, strike "$501,494" and "$501,494" and insert "$548,478" and "$548,478".

Explanation:

(This amendment provides $46,984 GF each year to fund the fiscal impact of legislation establishing the Virginia Boys and Men Advisory Commission and the Distributed Energy Resources Task Force in the legislative branch.)

Item 1 #5s

Legislative Department

General Assembly of Virginia Language

Language:

Page 14, after line 21, insert:
"X. The Senate Finance and Appropriations Committee and the House Appropriations Committee shall convene a technical work group to assess the process and provide recommendations related to the transition of the Department of General Services (the Department) from an executive branch agency to an independent agency of the Commonwealth, pursuant to the intent of the General Assembly that: (i) the Department transitions to better serve the executive, legislative, and judicial branches, as well as independent agencies of the Commonwealth, and political subdivisions thereof, equally and (ii) such transition be finalized in the 2027 Regular Session. The work group shall include the Staff Directors of the Senate Finance and Appropriations Committee and the House Appropriations Committee, or their designees; the Director of the Department; the Director of the Department of Planning and Budget, or his designee; and the Director of the Division of Legislative Services, or his designee. In conducting its assessment, the work group shall evaluate and make recommendations regarding (i) statutory changes necessary to establish the Department as an independent agency of the Commonwealth; (ii) appropriate governance and organizational structure of an independent department; (iii) budgetary and fiscal implications, including any necessary appropriations or transfers of funds and positions necessary to effectuate such transition; (iv) any existing responsibilities set forth in Chapter 11 of Title 2.2 (§ 2.2-1100 et seq.) of the Code of Virginia that need to be vested in the Governor to ensure appropriate executive approval over procurement and capital outlay of executive agencies; and (v) any other considerations relevant to the transition. The Senate Finance and Appropriations Committee and the House Appropriations Committee shall submit a joint report of the work group's findings and recommendations to the Governor and the General Assembly no later than October 15, 2026."

Explanation:

(This amendment directs the Senate Finance and Appropriations Committee and the House Appropriations Committee to convene a work group to assess the process and provide recommendations related to the transition of the Department of General Services from an executive branch agency to an independent agency of the Commonwealth.)

Item 1 #6s

Legislative Department	**FY26-27**	**FY27-28**	
General Assembly of Virginia	$75,000	$0	GF

Language:

Page 3, line 5, strike "$67,511,846" and insert "$67,586,846".
Page 10, line 28, strike the first "$501,494" and insert "$576,494".

Page 10, line 42, strike for the first "$6,019" and and insert "$81,019".
Page 11, line 40, strike the first "$501,494" and insert "$576,464".
Page 14, after line 21, insert:
"X. Amounts appropriated to and fund balances retained by the Commission on Unemployment Compensation may be utilized to hire actuarial services to provide assessments that include but are not limited to the impacts of annual adjustments to the weekly benefit of the UI Trust Fund solvency and employer tax rates."

Explanation:

(This amendment provides $75,000 GF the first year to the Commission on Unemployment Compensation to hire actuarial services to support the Commission's work.)

Item 1 #7s

Legislative Department	**FY26-27**	**FY27-28**	
General Assembly of Virginia	($24,203)	($24,203)	GF

Language:

Page 3, line 5, strike "$67,511,846" and insert "$67,487,643".
Page 3, line 5, strike "$67,511,846" and insert "$67,487,643".

Explanation:

(This amendment transfers $24,203 GF each year to other legislative commissions to correctly reflect rent amounts in legislative budgets. Companion amendments to the Commission on Youth and Chesapeake Bay Commission accept the transferred amounts.)

Item 8 #1s

Legislative Department	**FY26-27**	**FY27-28**	
Joint Commission on Technology and Science	$25,000	$0	GF

Language:

Page 17, line 45, strike "$461,878" and insert "$486,878".

Explanation:

(This amendment provides $25,000 GF the first year to fund the fiscal impact of Senate Bill 384, which directs the Joint Commission on Technology and Science to evaluate the feasibility and impact of developing a framework for any person or entity seeking to act as an independent verification organization that assesses artificial intelligence models' or applications' adherence to standards reflecting best practices for the prevention of personal injury and property damage.)

Item 14 #2s

Legislative Department	**FY26-27**	**FY27-28**	
Virginia Conflict of Interest and Ethics Advisory Council	$50,000	$50,000	GF

Language:

Page 19, line 20, strike "$922,593" and insert "$972,593".
Page 19, line 20, strike "$922,593" and insert "$972,593".

Explanation:

(This amendment provides $50,000 GF each year for the fiscal impact of Senate Bill 530, which provides for submission of electronic disclosure forms and funding to build out the Virginia Conflict of Interest and Ethics Advisory Council's filing system to accommodate local filers.)

Item 18 #1s

Legislative Department	**FY26-27**	**FY27-28**	
Chesapeake Bay Commission	$8,190	$8,190	GF

Language:

Page 21, line 28, strike "$377,277" and insert "$385,467".
Page 21, line 28, strike "$377,277" and insert "$385,467".

Explanation:

(This amendment provides $8,190 GF each year to accept the net-zero transfer of funding from Item 1 to accurately reflect legislative rent appropriation. Companion amendments to Item 1 and to the Commission on Youth balance out to zero.)

Item 19 #1s

Legislative Department	**FY26-27**	**FY27-28**	
Joint Commission on Health Care	$150,000	$150,000	GF
	1.00	1.00	FTE

Language:

Page 21, line 39, strike "$1,290,057" and insert "$1,440,057".

Page 21, line 39, strike "$1,290,057" and insert "$1,440,057".
Page 22, after line 3, insert:
"Out of this appropriation, $150,000 the first year and $150,000 the second year from the general fund shall be provided for a position to provide financial oversight of the Medicaid program. The position shall monitor Medicaid expenditures on a monthly basis and within 20 days after the end of each month submit a letter to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees with an analysis of spending for that month and noting any significant variances, unplanned expenditures, or trends. This position shall also participate in the annual Medicaid forecasting process to review trends and provide advice on its development. The position shall report to the Executive Director of the Joint Commission on Health Care (JCHC), but shall be available to provide assistance by request to the House Appropriations Committee, Senate Finance and Appropriations Committee, and the Joint Subcommittee for Health and Human Resources Oversight. This position may also be used by the JCHC in its studies and work to the degree that its main responsibility for financial oversight of Medicaid is not impacted."

Explanation:

(This amendment provides $150,000 GF each year for the Joint Commission on Health Care for a position to provide Medicaid financial oversight.)

Item 21 #1s

Legislative Department	**FY26-27**	**FY27-28**	
Virginia Commission on Youth	$55,000	$55,000	GF

Language:

Page 22, line 16, strike "$434,188" and insert "$489,188".
Page 22, line 16, strike "$434,188" and insert "$489,188".

Explanation:

(This amendment provides $55,000 GF each year to fully fund a third position for the Virginia Commission on Youth. The Commission is authorized for 3.0 positions, but has only filled 2.0 positions for a number of years. This amendment provides sufficient funding along with the Commission's current resources to fund a third position.)

Item 21 #2s

Legislative Department

Virginia Commission on Youth — Language

Language:

Page 22, after line 23, insert:
"The Commission on Youth shall develop recommendations, working with stakeholders, to incentivize local governments to draw down additional funding (above a base allocation) to support Child Advocacy Centers through partnership arrangements that may include the allocation of space, administrative support, or other supports. These recommendations shall also include potential access to funding through various court fees or other revenue options. The Commission shall report to relevant legislative committees by November 1, 2026."

Explanation:

(This amendment directs the Commission on Youth to develop recommendations, working with stakeholders, to incentivize local governments to draw down additional funding (above a base allocation) to support Child Advocacy Centers through partnership arrangements that may include the allocation of space, administrative support, or other supports. These recommendations shall also include potential access to funding through various court fees or other revenue options.)

Item 21 #3s

Legislative Department	FY26-27	FY27-28	
Virginia Commission on Youth	$16,013	$16,013	GF

Language:

Page 22, line 16, strike "$434,188" and insert "$450,201".
Page 22, line 16, strike "$434,188" and insert "$450,201".

Explanation:

(This amendment provides $16,013 GF each year to accept the net-zero transfer of funding from Item 1 to accurately reflect legislative rent allotments. Companion amendments to Item 1 and to the Chesapeake Bay Commission balance out to zero.)

Item 22 #1s

Legislative Department	FY26-27	FY27-28	
Virginia State Crime Commission	$25,000	$25,000	GF

Language:

Page 22, line 25, strike "$2,008,782" and insert "$2,033,782".
Page 22, line 25, strike "$2,008,782" and insert "$2,033,782".

Explanation:

(This amendment provides $25,000 GF each year to support the work of the Mary Jane Burton Review Panel supported by the Virginia Crime Commission. The Review Panel was established by Chapters 421 and 430, 2025 Acts of Assembly, to review certain cases where testing or analysis was performed by Mary Jane Burton, a serologist at the Department of Forensic Science in the 1970s and the 1980s. The Review Panel consists of individuals who may request compensation for their time reviewing cases, such as retired judges, court appointed counsel, and an independent serologist, and there may also be costs associated with in-person panel meetings. To date, 314 cases have been identified for the panel to review.)

Item 23 #1s

Legislative Department	FY26-27	FY27-28	
Commission on Electric Utility Regulation	$200,000	$200,000	GF
	1.00	1.00	FTE

Language:

Page 23, line 49, strike "$691,123" and insert "$891,123".
Page 23, line 49, strike "$691,123" and insert "$891,123".

Explanation:

(This amendment provides $200,000 GF each year for the Commission on Electric Utility Regulation (CEUR) to hire one attorney and reduce the burden on the Division of Legislative Services.)

Item 25 #1s

Legislative Department

Joint Legislative Audit and Review Commission — Language

Language:

Page 28, after line 42, insert:
"J. JLARC shall periodically review comprehensive teacher compensation in the Commonwealth, including benefits such as health insurance and retirement, and provide this information as part of the State Spending on K-12 Standards of Quality report."

Explanation:

(This amendment directs JLARC to periodically review comprehensive teacher compensation in Virginia, including benefits.)

Item 25 #2s

Legislative Department

Joint Legislative Audit and Review Commission Language

Language:

Page 28, after line 42, insert:
"J.1. For the purposes of conducting its study of the Department of Medical Assistance Service's (DMAS) oversight of managed care, consistent with its statutory authority to obtain information necessary for the performance of its duties from state agencies and any private entity that has entered a contractual relationship to accomplish an agency program, JLARC shall have the legal authority to access all information and records pertaining to Virginia's Medicaid program in the possession of: (i) DMAS pertaining to managed care and MCOs' performance, the setting of capitation rates, and the annual forecast of Medicaid expenditures; (ii) private entities under contract with DMAS for the provision of managed care, including, but not limited to, surveys of members or providers, case management notes, health risk assessments, prior authorization files, and internal appeals files; and (iii) private entities under contract with either DMAS or its contracted MCOs for services related to the delivery of or payment for care through Medicaid or the children's health insurance program.
2. Records provided by DMAS and its contractors to JLARC in connection with this study, where the records would not be subject to disclosure by DMAS, shall be excluded from the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). DMAS and its contractors shall identify the specific portion of the records to be protected and the applicable provision of the Freedom of Information Act or other provision of law that excludes the record or portions thereof from mandatory disclosure."

Explanation:

(This amendment clarifies authority for JLARC to access relevant Medicaid data and information for its study of the Department of Medical Assistance Service's (DMAS) oversight of managed care.)

Item 25 #3s

Legislative Department

Joint Legislative Audit and Review Commission Language

Language:

Page 28, after line 42, insert:
"J. The Joint Legislative Audit and Review Commission shall include, on at least an every five-year rotation, an analysis of state spending for aid-to localities as part of its State Spending report."

Explanation:

(This amendment directs the Joint Legislative Audit and Review Commission to include, on at least an every five-year rotation, an analysis of state spending for aid-to localities as part of its State Spending report.)

Item 27 #1s

Legislative Department	
Legislative Department Reversion Clearing Account	Language

Language:

Page 29, after line 28, insert:
"D. On or before June 30, 2027, the Committee on Joint Rules shall authorize a reversion to the general fund of $2,402,250, and on or before June 30, 2028, of $53,124, representing savings generated by the following legislative agencies:

	Estimated Savings	
Legislative Agency	**FY 2027**	**FY 2028**
100: General Assembly	$50,394	$53,124
107: Division of Legislative Services	$1,433,755	
110: Joint Legislative Audit and Review Commission	$600,000	
810: Capitol Square Preservation Council	$10	
876: Virginia Conflict of Interest and Ethics Advisory Council	$318,091	
Total:	**$2,402,250**	**$53,124".**

Explanation:

(This amendment authorizes transfer of $2,402,250 the first year and $53,124 the second year in general fund balances from legislative branch agencies.)

Item 31 #1s

Judicial Department	**FY26-27**	**FY27-28**	
Supreme Court	$471,614	$0	GF

Language:

Page 30, line 45, strike "$64,548,646" and insert "$65,020,260".

Explanation:

(This amendment provides $471,614 GF the first year to the Office of the Executive Secretary of the Supreme Court for the fiscal impact of legislation.)

Item 31 #2s

Judicial Department

Supreme Court — Language

Language:

Page 33, after line 27, insert:
"U. The Office of the Executive Secretary of the Supreme Court shall assess the cost and feasibility of providing a unified efiling system for civil and criminal cases in circuit courts and requiring each circuit court to use the unified system. The assessment shall update the information in the 2018 report on statewide electronic filing of civil cases in circuit court submitted pursuant to Chapter 2, 2018 Special Session I, Acts of Assembly, and provide the updated assessment to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2026."

Explanation:

(This amendment directs the Office of the Executive Secretary of the Supreme Court to provide an assessment of the cost and feasibility of providing a unified efiling system for civil and criminal cases in circuit courts and requiring each circuit court to use the unified system. The assessment should include an update of the information provided in a similar report from 2018.)

Item 32 #1s

Judicial Department	**FY26-27**	**FY27-28**	
Court of Appeals of Virginia	$3,426,976	$3,146,976	GF
	16.00	16.00	FTE

Language:

Page 33, line 37, strike "$23,087,457" and insert "$26,514,433".
Page 33, line 37, strike "$23,087,457" and insert "$26,234,433".

Explanation:

(This amendment provides $3.4 million GF the first year and $3.1 million GF the second year and 16.0 positions each year to the Court of Appeals for the fiscal impact of legislation.)

Item 32 #2s

Judicial Department	FY26-27	FY27-28	
Court of Appeals of Virginia	$3,726,400	$3,529,620	GF

Language:

Page 33, line 37, strike "$23,087,457" and insert "$26,813,857".
Page 33, line 37, strike "$23,087,457" and insert "$26,617,077".

Explanation:

(This amendment provides $3.7 million GF the first year and $3.5 million GF the second year to modernize the appellate case management system, including costs for personnel to implement and integrate the new system, software licenses, subscriptions, hardware, and hardware maintenance.)

Item 33 #1s

Judicial Department	FY26-27	FY27-28	
Circuit Courts	$1,763,823	$699,598	GF
	1.00	2.00	FTE

Language:

Page 34, line 19, strike "$142,596,679" and insert "$144,360,502".
Page 34, line 19, strike "$142,596,679" and insert "$143,296,277".

Explanation:

(This amendment provides $1.8 million GF and 1.0 position the first year and $699,598 GF and 2.0 positions the second year to the Circuit Courts, including the Criminal Fund, for the fiscal impact of legislation.)

Item 34 #1s

Judicial Department	FY26-27	FY27-28	
General District Courts	$644,256	$636,056	GF
	2.00	2.00	FTE

Language:

Page 36, line 14, strike "$184,169,557" and insert "$184,813,813".
Page 36, line 14, strike "$184,169,557" and insert "$184,805,613".

Explanation:

(This amendment provides $644,256 GF and 2.0 positions the first year and $636,056 GF and 2.0 positions the second year to the General District Courts for the fiscal impact of legislation.)

Item 35 #1s

Judicial Department	**FY26-27**	**FY27-28**	
Juvenile and Domestic Relations District Courts	$322,128	$640,156	GF
	1.00	2.00	FTE

Language:

Page 37, line 3, strike "$132,045,360" and insert "$132,367,488".
Page 37, line 3, strike "$132,045,360" and insert "$132,685,516".

Explanation:

(This amendment provides $322,128 GF and 1.0 position the first year and $640,156 GF and 2.0 positions the second year to the Juvenile and Domestic Relations Courts for the fiscal impact of legislation.)

Item 40 #1s

Judicial Department	**FY26-27**	**FY27-28**	
Indigent Defense Commission	$3,707,891	$3,707,891	GF
	45.00	45.00	FTE

Language:

Page 39, line 23, strike "$94,773,343" and insert "$98,481,234".
Page 39, line 23, strike "$94,773,343" and insert "$98,481,234".

Explanation:

(This amendment provides $3.7 million GF and 45.0 positions each year for additional support staff in public defender offices, including paralegals, mitigation specialists, investigators, and legal assistants. In 2023, JLARC recommended funding additional mitigation specialist and paralegal positions to help public defenders manage their workloads.)

Item 50 #1s

Executive Offices	**FY26-27**	**FY27-28**

Attorney General and Department of Law	$3,540,042	$3,540,042	GF

Language:

Page 45, line 12, strike "$61,665,660" and insert "$65,205,702".
Page 45, line 12, strike "$61,665,660" and insert "$65,205,702".

Explanation:

(This amendment provides $3.5 million GF each year to support salary adjustments for approximately 320 attorneys across all Office of the Attorney General divisions.)

Item 50 #2s

Executive Offices	FY26-27	FY27-28	
Attorney General and Department of Law	$328,324	$1,313,295	GF
	10.00	10.00	FTE

Language:

Page 45, line 12, strike "$61,665,660" and insert "$61,993,984".
Page 45, line 12, strike "$61,665,660" and insert "$62,978,955".

Explanation:

(This amendment provides $328,324 GF the first year and $1.3 million GF the second year and 10.0 positions to fund the associated fiscal impact from legislation passed in the 2026 Session of the General Assembly that impacts the workload of the Office of the Attorney General.)

Item 50 #3s

Executive Offices	FY26-27	FY27-28	
Attorney General and Department of Law	$1,013,460	$1,013,460	GF
	8.00	8.00	FTE

Language:

Page 45, line 12, strike "$61,665,660" and insert "$62,679,120".
Page 45, line 12, strike "$61,665,660" and insert "$62,679,120".

Explanation:

(This amendment provides $1.0 million GF each year and 8.0 positions to establish a dedicated Workers Protection Unit within the Office of the Attorney General.)

Item 51 #1s

Executive Offices

Attorney General and Department of Law — Language

Language:

Page 47, after line 12, insert:
"The Medicaid Fraud Control Unit shall submit an annual report no later than October 1 of each year to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees detailing caseload activity, enforcement outcomes, staffing levels, expenditures, Medicaid recoveries, and return-on-investment metrics, including trends and performance measures."

Explanation:

(This amendment directs the Medicaid Fraud Control Unit to submit an annual report to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees detailing caseload activity, enforcement outcomes, staffing levels, expenditures, Medicaid recoveries, and return-on-investment metrics, including trends and performance measures.)

Item 56 #1s

Executive Offices	**FY26-27**	**FY27-28**	
Secretary of the Commonwealth	$110,392	$110,392	GF
	1.00	1.00	FTE

Language:

Page 49, line 16, strike "$3,897,760" and insert "$4,008,152".
Page 49, line 16, strike "$3,897,760" and insert "$4,008,152".

Explanation:

(This amendment provides $110,392 GF each year and one position for the Secretary of the Commonwealth for the fiscal impact of Senate Bill 316. The Secretary is responsible for the commissioning of Notaries Public in Virginia, including providing educational and reference materials. The bill directs the Secretary to develop curricula and education for notaries and electronic notaries who are applying for commission (four hours) or recommission (two hours). Such curricula must include information on notarial laws, best practices, identity verification, real estate fraud and an examination.)

Item 56 #2s

Executive Offices	**FY26-27**	**FY27-28**	
Secretary of the Commonwealth	$250,000	$250,000	GF
	2.00	2.00	FTE

Language:

Page 49, line 16, strike "$3,897,760" and insert "$4,147,760".
Page 49, line 16, strike "$3,897,760" and insert "$4,147,760".

Explanation:

(This amendment provides $250,000 GF each year and 2.0 positions to support workload requirements in the office of the Secretary of the Commonwealth. One position is needed to assist with notary processing, and the second is needed to assist with clemency-related operations.)

Item 57 #1s

Executive Offices

Office of the State Inspector General — Language

Language:

Page 50, line 26, after "F." insert "1."
Page 50, line 28, after "Committee" insert:
"2. Notwithstanding Article 4 of Chapter 1, Title 53.1, the Office of the Department of Corrections Ombudsman (Office) shall not be required to establish policies for a statewide uniform reporting system, as described in § 53.1-17.2 (A) (5), and may include in its annual report the items in § 53.1-17.8 (A) (2-6) and (8-10). Other statutory reporting requirements, including the directive to collect and analyze data related to complaints received by the Department of Corrections (Department), remain in effect. As the Department deploys tablets to inmates, the Department shall ensure that the Office continues to have access to: the status of complaints; all emergency grievances, written complaints, and regular grievances from inmates, as well as the Department's responses and resolutions to complaints (to include the institutional ombudsman notes on why a complaint is accepted or rejected); and issued grievance receipts, appeal requests, and responses to appeals. In addition, the Department shall assess the feasibility, including cost estimates if any additional funding is needed, to establish a mechanism by which the Office may respond to inmate complaints electronically in accordance with § 53.1-17.4(B) and § 53.1-17.5 of the Code of Virginia and shall provide such assessment to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by December 15, 2026."

Explanation:

(This amendment provides language that streamlines certain statutory reporting requirements of the Office of the Department of Corrections Ombudsman and directs the Department of Corrections to assess the cost and feasibility of allowing confidential electronic communication from the Office to inmates who have submitted complaints.)

Item 60 #1s

Administration	**FY26-27**	**FY27-28**	
Compensation Board	$127,269	$127,269	GF

Language:

Page 52, line 14, strike "$685,058,201" and insert "$685,185,470".
Page 52, line 14, strike "$685,058,201" and insert "$685,185,470".
Page 55, line 6, strike each instance of "$2,042,314" and insert "$2,169,583".

Explanation:

(This amendment provides $127,269 GF each year to cover recent cost increases in Virginia Victim Information and Notification Everyday (VINE) services.)

Item 60 #2s

Administration	**FY26-27**	**FY27-28**	
Compensation Board	($3,900,000)	($3,900,000)	GF

Language:

Page 52, line 14, strike "$685,058,201" and insert "$681,158,201".
Page 52, line 14, strike "$685,058,201" and insert "$681,158,201".

Explanation:

(This amendment redirects to other purposes $3.9 million GF each year proposed in the introduced budget to increase the minimum number of deputy sheriffs in each office from five to 10. A companion amendment in Item 67 adjusts the position table accordingly.)

Item 61 #1s

Administration	**FY26-27**	**FY27-28**	
Compensation Board	$50,000	$50,000	GF

Language:

Page 55, line 43, strike "$43,814,791" and insert "$43,864,791".

Page 55, line 43, strike "$43,814,791" and insert "$43,864,791".
Page 58, line 31, strike "$315,939" and "$315,939" and insert:
"$365,939" and "$365,939".

Explanation:

(This amendment provides $50,000 each year from the general fund to increase to $365,939 the amount provided to Nottoway County to reimburse their expense of confining residents of the Virginia Center for Behavioral Rehabilitation who are arrested for new offenses and held in Piedmont Regional Jail.)

Item 64 #1s

Administration	FY26-27	FY27-28	
Compensation Board	$329,320	$359,258	GF

Language:

Page 60, line 23, strike "$116,705,440" and insert "$117,034,760".
Page 60, line 23, strike "$116,705,440" and insert "$117,064,698".

Explanation:

(This amendment provides $329,320 GF the first year and $359,258 GF the second year to restore state support for 50 Assistant Commonwealth’s Attorneys and 15 support staff positions allocated by the Compensation Board in Commonwealth’s Attorneys’ offices for which salaries were previously reduced due to budget reductions, and for which funding has not been restored.)

Item 64 #2s

Administration	FY26-27	FY27-28	
Compensation Board	$80,243	$89,142	GF

Language:

Page 60, line 22, strike "$116,705,440" and insert "$116,785,683".
Page 60, line 22, strike "$116,705,440" and insert "$116,794,582".
Page 63, after line 4, insert:
“N. Out of this appropriation, $80,243 the first year and $89,142 the second year from the general fund is designated for the Compensation Board to fund one additional assistant Commonwealth's Attorney position that shall be dedicated to prosecution activities in, and shall serve simultaneously in, the offices of attorneys for the Commonwealth in the 9th Judicial Circuit in which no other assistant Commonwealth's Attorney position is funded by the Compensation Board. The Board shall ensure that this position is shared across such offices in

more than one locality with the consent of the respective attorneys for the Commonwealth and the Compensation Board in accordance with procedures adopted by the Compensation Board."

Explanation:

(This amendment provides $80,243 GF the first year and $89,142 GF the second year to allocate one additional assistant commonwealth's attorney position to serve simultaneously in two localities in the 9th Judicial Circuit, where each office is served solely by the elected attorney for the Commonwealth with no assistants. A companion amendment to Item 67 provides positions in the position count table.)

Item 64 #3s

Administration	FY26-27	FY27-28	
Compensation Board	$600,165	$654,725	GF

Language:

Page 60, line 23, strike "$116,705,440" and insert "$117,305,605".
Page 60, line 23, strike "$116,705,440" and insert "$117,360,165".

Explanation:

(This amendment provides $600,165 GF the first year and $654,725 GF the second year for additional career development program prosecutor participation based on the 38 qualified and unfunded positions that met all criteria of the program but could not be approved for the related 19.48 percent salary adjustment based on the current appropriation for the program.)

Item 65 #1s

Administration	FY26-27	FY27-28	
Compensation Board	$459,927	$510,937	GF

Language:

Page 63, line 5, strike "$81,741,987" and insert "$82,201,914".
Page 63, line 5, strike "$81,741,987" and insert "$82,252,924".

Explanation:

(This amendment provides $459,927 GF the first year and $510,937 GF the second year to provide the career development program salary incentive for 5.0 circuit court clerks and 94.0 deputy clerks that qualify, but for which insufficient funding is available.)

Item 66 #1s

Administration	FY26-27	FY27-28	
Compensation Board	$108,717	$118,600	GF

Language:

Page 65, line 37, strike "$29,107,045" and insert "$29,215,762".
Page 65, line 37, strike "$29,107,045" and insert "$29,225,645".

Explanation:

(This amendment provides $108,717 GF the first year and $118,600 GF the second year to provide salary incentives to employees in local treasurers' offices who qualify for the Commonwealth's Career Development Program for constitutional offices, including 4.0 treasurers and 18.0 deputy treasurers who have achieved certification as Master Governmental Treasurers and Master Governmental Deputy Treasurers.)

Item 67 #1s

Administration	FY26-27	FY27-28	
Compensation Board	$60,000	$0	GF

Language:

Page 66, line 44, strike "$5,815,548" and insert "$5,875,548".

Explanation:

(This amendment provides $60,000 GF the first year to the Compensation Board for the fiscal impact of legislation.)

Item 67 #2s

Administration

Compensation Board — Language

Language:

Page 67, line 22, strike each instance of "11,869" and insert "11,768".
Page 67, line 29, strike each instance of "1,449" and insert "1,450".

Explanation:

(This amendment is a technical companion to amendments in Item 60 and Item 64 that amend the number of positions in constitutional offices.)

Item 71 #1s

Administration	**FY26-27**	**FY27-28**	
Department of General Services	$2,000,000	$0	GF

Language:

Page 73, line 1, strike "$74,624,259" and insert "$76,624,259".

Explanation:

(This amendment provides $2.0 million GF the first year for the costs to the Department of General Services to take down three confederate statues in Capitol Square.)

Item 71 #2s

Administration

Department of General Services — Language

Language:

Page 73, line 21, strike "$15.50", insert "$18.25".
Page 73, line 22, strike "$15.50", insert "$18.25".
Page 74, after line 2, insert:
"6. All agencies invoiced by the Department of General Services (DGS) for rent shall pay such invoice within 30 days of receipt. The State Comptroller, at the request of the Director of DGS, shall transfer available funding from any agency that fails to pay its invoice in a timely manner to DGS. The Director of DGS shall have discretion to extend the payment deadline for any agency that can justify needing more time in order to generate the funds to pay the rent to DGS."

Explanation:

(This amendment increases the rent charged by the Department of General Services to state agencies for state-owned office space. A corresponding amendment in Central Appropriations provides funding for the state share of the increase in rent costs.)

Item 74 #1s

Administration	**FY26-27**	**FY27-28**	
Department of Human Resource Management	($200,000)	$0	GF

Language:

Page 76, line 14, strike "$118,052,873" and insert "$117,852,873".

Explanation:

(This amendment removes $200,00 GF the first year provided for a leadership academy in the introduced budget.)

Item 74 #2s

Administration	FY26-27	FY27-28	
Department of Human Resource Management	$175,224	$175,224	GF
	1.00	1.00	FTE

Language:

Page 76, line 14, strike "$118,052,873" and insert "$118,228,097".
Page 76, line 14, strike "$117,376,823" and insert "$117,552,047".

Explanation:

(This amendment provides $175,224 GF each year to fund the fiscal impact of House Bill 54 and Senate Bill 286, which create the state position of internship coordinator.)

Item 74 #3s

Administration	FY26-27	FY27-28	
Department of Human Resource Management	$500,000	$0	GF

Language:

Page 76, line 14, strike "$118,052,873" and insert "$118,552,873".
Page 78, after line 14, insert:
"J. Out of the amounts included in this appropriation, $500,000 from the general fund the first year is provided for the Department of Human Resource Management to examine the options for modernizing the Commonwealth's job classification system. In conducting its review, the Department shall: (i) consider and recommend a method to standardize the Commonwealth's system of classified job titles, (ii) review and update classified salary pay bands, and (iii) review and recommend redesigned base salary budgeting, base salary structure management, and job structure management. The Department shall complete its work and make recommendations to the Governor and General Assembly by November 30, 2026."

Explanation:

(This amendment includes $500,000 GF the first year and includes language requiring the Department of Human Resource Management to make recommendations regarding the

Commonwealth's employee classification system.)

Item 76 #1s

Administration	FY26-27	FY27-28	
Virginia Management Fellows Program Administration	$200,000	$200,000	GF
	2.00	2.00	FTE

Language:

Page 79, line 41, strike "$1,660,510" and insert "$1,860,510".
Page 79, line 41, strike "$1,660,510" and insert "$1,860,510".
Page 80, after line 10, insert:
"D. The Department of Human Resource Management is authorized to adjust the starting salary of the Management Fellows, effective July 10, 2026, for the newest cohort at that time. The starting salary shall be benchmarked to similar programs and positions to be competitive, but shall be limited to available funding.
E. The Department of Human Resource Management shall assess the need to create a salary step for the second year of the program for Management Fellows. In addition, the Department shall assess the capacity of the program to increase the typical cohort size and report any recommendations or funding needs to the advisory group established in this Item, which shall meet to consider the information prior to October 1, 2026."

Explanation:

(This amendment provides $200,000 GF each year to increase support for the Virginia Management Fellows program. The position level is increased by two for a total of 20.0 positions to reflect the typical size of the cohorts in the program.)

Item 77 #1s

Administration	FY26-27	FY27-28	
Department of Elections	$100,000	$110,000	GF

Language:

Page 80, line 27, strike "$24,730,589" and insert "$24,830,589".
Page 80, line 27, strike "$21,394,303" and insert "$21,504,303".

Explanation:

(This amendment provides $100,000 GF the first year and $110,000 GF the second year for the fiscal impact of House Bill 215 and Senate Bill 57, which require the Department of Elections (ELECT) to rejoin the Electronic Registration Information Center (ERIC).)

Item 77 #2s

Administration	FY26-27	FY27-28	
Department of Elections	$356,985	$140,635	GF
	1.00	1.00	FTE

Language:

Page 80, line 27, strike "$24,730,589" and insert "$25,087,574".
Page 80, line 27, strike "$21,394,303" and insert "$21,534,938".

Explanation:

(This amendment provides $356,985 GF the first year and $140,635 GF the second year and 1.0 position in each year for the fiscal impact of House Bills 234, 967, 964 and 972 and Senate Bill 162 related to changes in the administration of elections.)

Item 77 #3s

Administration	FY26-27	FY27-28	
Department of Elections	$615,000	$0	GF

Language:

Page 80, line 27, strike "$24,730,589" and insert "$25,345,589".

Explanation:

(This amendment provides $615,000 GF the first year for the associated costs of the Department of Elections to advertise and provide information to voters on three constitutional amendments that will be on the November 2026 ballot.)

Item 80 #1s

Administration	FY26-27	FY27-28	
Virginia Information Technologies Agency	$2,600,000	$800,000	NGF

Language:

Page 83, line 31, strike "$25,322,123" and insert "$27,922,123".
Page 83, line 31, strike "$25,389,125" and insert "$26,189,125".
Page 84. line 14, after "appropriation,", strike "$1,340,053", insert "$3,940,053".
Page 84, line 14, after "first year and", strike "$1,407,055", insert "$2,207,055".

Explanation:

(This amendment provides $2.6 million NGF the first year and $800,000 NGF the second year from the Commonwealth Opioid Abatement and Remediation (COAR) fund for the procurement of services to expand and enhance the cloud-based data analytics platform that provides substance use disorder analytics.)

Item 84 #1s

Agriculture and Forestry	**FY26-27**	**FY27-28**	
Department of Agriculture and Consumer Services	$2,000,000	$0	GF

Language:

Page 89, line 12, strike "$8,794,330" and insert "$10,794,330".
Page 89, line 17, before "Out" insert "A."
Page 89, line 17, strike the first "$1,600,000" and insert "$2,600,000".
Page 89, line 21, after "Virginia." insert:
"B. Out of the amounts in this item, up to $1,000,000 the first year from the general fund to implement Virginia Fresh Match to grow the network of farmers markets and local food retailers that double the value of SNAP food assistance spent on fruits and vegetables for food insecure families."

Explanation:

(This amendment provides an additional $2.0 million GF the first year to support the Virginia Agricultural Food Assistance Program and the implementation of Virginia Fresh Match.)

Item 85 #1s

Agriculture and Forestry

Department of Agriculture and Consumer Services — Language

Language:

Page 89, line 35, after "Code of Virginia.", insert "Any funding remaining at the end of the fiscal year shall carryforward to the next fiscal year and be reappropriated for the same purpose."

Explanation:

(This amendment provides that general fund support for the Large Animal Veterinary Grant Program will carryforward to simplify administration of reimbursable grant agreements.)

Item 91 #1s

Agriculture and Forestry	FY26-27	FY27-28	
Department of Agriculture and Consumer Services	$412,296	$549,728	GF
	4.00	4.00	FTE

Language:

Page 92, line 26, strike "$4,355,741" and insert "$4,768,037".
Page 92, line 26, strike "$4,355,741" and insert "$4,905,469".

Explanation:

(This amendment provides $412,000 GF in the first year and 4.0 positions and $550,000 GF in the second year and 4.0 positions to support workload increases for the Department's Office of Weights and Measures related to the creation of an adult-use retail cannabis market, as outlined in Senate Bill 542.)

Item 92 #1s

Agriculture and Forestry	FY26-27	FY27-28	
Department of Agriculture and Consumer Services	$236,728	$315,637	GF
	3.00	3.00	FTE

Language:

Page 92, line 49, strike "$18,297,875" and insert "$18,534,603".
Page 92, line 49, strike "$18,297,875" and insert "$18,613,512".

Explanation:

(This amendment provides $237,000 GF in the first year and 3.0 positions and $316,000 GF in the second year and 3.0 positions to support workload increases for the Department's Food Safety and Security program related to the creation of an adult-use retail cannabis market, as outlined in Senate Bill 542.)

Item 99 #1s

Agriculture and Forestry	FY26-27	FY27-28	
Virginia Racing Commission	$1,000,000	$1,000,000	GF

Language:

Page 96, line 31, strike "$4,724,579" and insert "$5,724,579".
Page 96, line 31, strike "$4,724,579" and insert "$5,724,579".
Page 97, after line 44, insert:
"H. Out of the amounts in this Item, $1,000,000 the first year and $1,000,000 the second year

from the general fund shall be distributed to support racing and equine events. Of that amount, $500,000 each year shall be provided to the Shenandoah Agricultural Foundation for harness racing at the Shenandoah County Fairgrounds and $500,000 each year shall be provided to the Great Meadow Foundation for steeplechase and other events."

Explanation:

(This amendment provides $1.0 million GF each year to support the Shenandoah Agricultural Foundation and the Great Meadow Foundation horse racing and equine events.)

Item 101 #1s

Commerce and Trade	FY26-27	FY27-28	
Economic Development Incentive Payments	$1,000,000	$0	GF

Language:

Page 99, line 21, strike "$79,409,579" and insert "$80,409,579".
Page 102, after line 20, insert:
"S. Out of this appropriation, $1,000,000 the first year from the general fund is provided to the Virginia Economic Development Partnership Authority (the Authority) to continue support for a non-profit operating a pharmaceutical manufacturing facility in developing a fast-acting insulin. Prior to any funds being disbursed, pursuant to the existing Memorandum of Understanding (MOU) between the non-profit and the Authority, the company shall demonstrate a match of non-state funds equal to the amount provided in this paragraph. No state funds provided in this paragraph or paragraph W., Item 101, Chapter 725, 2025 Acts of Assembly shall be provided to the company until the company has demonstrated to the satisfaction of the Authority sufficient funding estimated at $27.0 million is available to produce the fast-acting insulin. At the conclusion of the project, the company shall be required to report to the Authority on the: (i) jobs created as a result of the investment; (ii) estimated savings to residents of the Commonwealth from the purchase of low-cost insulin; and, (iii) estimated potential savings to the Commonwealth as a self-insured employer from the availability of affordable insulin manufactured at a non-profit facility in Virginia. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027 and June 30, 2028 shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $1.0 million GF the first year for the Virginia Economic Development Partnership Authority to partner with a non-profit entity for the continued development of a fast-acting insulin. This funding would be in addition to $3.0 million provided from state resources for this purpose in fiscal year 2025, and allow the company to raise private resources to reach the $27.0 million needed to complete the project.)

Item 101 #2s

Commerce and Trade

Economic Development Incentive Payments	Language

Language:

Page 101, line 48, after "deposited" strike remainder of the line.
Page 101, strike lines 49 through 51, and insert:
"to the Precision Plastic Manufacturing Grant Fund for grants to be paid in accordance with § 59.1-284.41, Code of Virginia.".
Page 101, line 53, after "deposited" strike remainder of the line.
Page 101, strike line 54.
Page 102, strike lines 1 and 2, and insert:
"to the Active Pharmaceutical Ingredient Manufacturing Grant Fund for grants to be paid in accordance with House Bill 800 and Senate Bill 404 of the 2026 General Assembly."
Page 102, line 4, after "deposited" strike remainder of the line.
Page 102, strike lines 5 through 7, and insert:
"to the Power Transformer Manufacturing Grant Fund for grants to be paid in accordance with House Bill 799 and Senate Bill 403 of the 2026 General Assembly."
Page 102, line 9, after "deposited" strike remainder of the line.
Page 102, strike lines 10 through 12, and insert:
"to the Pharmaceutical Substance Manufacturing Grant Fund for grants to be paid in accordance with House Bill 1076 and Senate Bill 527 of the 2026 General Assembly.".

Explanation:

(This amendment is technical in nature, and updates the references for several economic development incentive payments.)

Item 102 #1s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$75,000,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$386,162,101".
Page 103, line 38, after "Item" strike the first instance of "$87,500,000" and insert "$162,500,000".
Page 103, after line 56, insert:
"4.a. Nothwithstanding the provisions of § 36 - 142, Code of Virginia, out of the amounts in this paragraph, up to $20,625,000 the first year shall be used by the department to work in

collaboration with the Virginia Housing Development Authority (VHDA) to create a two-year pilot program that will provide loan origination and servicing activities as needed to carry out the purposes of (i) making lower-interest loans to eligible entities that incur costs in the acquisition, construction, or improvement of mixed-income housing projects or for infrastructure needed for site development and readiness for housing projects; (ii) loan origination and servicing costs; and (iii) administration costs, as provided for in Chapters 1012, 1037, and 1072, 2026 Acts of Assembly.
b. The department shall develop, in consultation with VHDA, guidelines and other materials to facilitate the purposes of the pilot program. The department, in consultation with VHDA, shall define "low income," "moderate income," "mixed income," and "mixed-income housing project" in developing such guidelines. The department may consider loan cap amounts, loan percentage of total cost of a housing project, income limits for the affordable housing portion of a housing project, and other considerations to structure the loans."

Explanation:

(This amendment provides an additional $75.0 million GF the first year for the Virginia Housing Trust Fund. Of that amount, $20.6 million is directed to a pilot program for mixed-income housing developments or for infrastructure needed for site development and readiness for such housing developments, as outlined in legislation passed in the 2026 Session.)

Item 102 #2s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$13,000,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$324,162,101".
Page 104, line 20, after "Item" strike "$3,450,000" and insert "$16,450,000".

Explanation:

(This amendment provides an additional $13.0 million GF the first year for the Eviction Prevention and Diversion Program.)

Item 102 #3s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$25,025,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$336,187,101".
Page 105, after line 7 insert:
"R. Out of the amounts in this Item, $25,000 the first year from the general fund is provided to support the Income Qualified Energy Efficiency and Weatherization Task Force, established under the provisions of Chapters 540 and 541, 2026 Acts of Assembly.
S. Out of the amounts in this Item, $25,000,000 the first year from the general fund is provided to support the implementation of recommendations of the task force outlined in paragraph R. Any unexpended funds appropriated for this purpose shall not revert and shall be reappropriated for the same purpose in the next fiscal year until June 30, 2030."

Explanation:

(This amendment provides $25,000 GF the first year to coordinate the Income-Qualified Energy Efficiency and Weatherization Task Force, as outlined in legislation passed in the 2026 General Assembly Session and $25.0 million GF the first year to support the recommendations of the Task Force.)

Item 102 #4s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$261,000	$261,000	GF
	2.00	2.00	FTE

Language:

Page 102, line 31, strike "$311,162,101" and insert "$311,423,101".
Page 102, line 31, strike "$311,162,101" and insert "$311,423,101".

Explanation:

(This amendment provides $261,000 GF each year and 2.0 positions for the fiscal impact of legislation passed during the 2026 General Assembly Session.)

Item 102 #5s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$5,000,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$316,162,101".
Page 105, after line 7, insert:
"R. Out of this appropriation, $5,000,000 the first year from the general fund is provided to

effectuate the provisions of Chapter 1037, 2026 Acts of Assembly. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027 and June 30, 2028 shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $5.0 million GF the first year to launch the Virginia Residential Development Infrastructure Pilot Program at the Department of Housing and Community Development. The pilot program will provide grants to local governments for public infrastructure improvements to support residential development. Language in the bill allows the Department of Housing and Community Development and the Virginia Resources Authority to recover any administrative costs from the funds appropriated to the program.)

Item 102 #6s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$7,000,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$318,162,101".
Page 103, line 15, strike the first instance of "$1,100,000" and insert: "$7,100,000".
Page 103, line 26, strike the first instance of "$675,000" and insert: "$1,675,000".

Explanation:

(This amendment provides an additional $6.0 million GF the first year for rapid rehousing efforts and an additional $1.0 million the first year of the biennium to Continuum of Care lead agencies to support their organizational capacity to serve the growing population of Virginians at risk of or experiencing homelessness.)

Item 102 #7s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$5,000,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$316,162,101".
Page 105, after line 7, insert:
"R. Out of this appropriation, $5,000,000 the first year from the general fund is provided to Prince William County to support the County's housing trust fund."

Explanation:

(This amendment provides $5.0 million GF the first year to support Prince William County's Housing Trust Fund.)

Item 102 #8s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$200,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$311,362,101".
Page 105, after line 7, insert:
"R. Out of this appropriation, $200,000 the first year from the general fund is provided to the County of Fairfax for a partnership with the Herndon-Reston FISH program to offer rapid, flexible emergency assistance to individuals facing eviction."

Explanation:

(This amendment provides $200,000 GF the first year to Fairfax County to partner with the Herndon-Reston FISH program that works directly with families to avoid eviction.)

Item 102 #9s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$161,000	$161,000	GF
	1.00	1.00	FTE

Language:

Page 102, line 31, strike "$311,162,101" and insert "$311,323,101".
Page 102, line 31, strike "$311,162,101" and insert "$311,323,101".
Page 105, after line 7, insert:
"R. Out of this appropriation, $161,000 the first year and $161,000 the second year from the general fund is provided to effectuate the provisions of Chapter 598, 2026 Acts of Assembly."

Explanation:

(This amendment provides $161,000 GF each year and authorization for the Department of Housing and Community Development to hire an employee to manage the registration of manufactured home park owners with the Department.)

Item 102 #10s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$250,000	$0	GF

Language:

Page 102, line 31, strike "$311,162,101" and insert "$311,412,101".
Page 105, after line 7, insert:
"R. Out of this appropriation, $250,000 the first year from the general fund is provided to the City of Richmond for Housing Opportunities Made Equal to provide statewide education and outreach about the protected classes covered under Virginia's Fair Housing law, and to investigate and enforce allegations of housing discrimination."

Explanation:

(This amendment provides $250,000 GF the first year to Housing Opportunities Made Equal to support education, outreach, and enforcement of Virginia's Fair Housing Law.)

Item 102 #11s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 105, after line 7, insert:
"R. Notwithstanding the provisions of § 10.1 - 1330, Code of Virginia, the department shall utilize $9,100,000 of unobligated balances in the Low-Income Energy Efficiency Program Fund (02017) for the City of Charlottesville for development of a transitional housing and life skills training facility to increase capacity to serve individuals and families experiencing homelessness in the community."

Explanation:

(This amendment provides $9.1 million the first year from unobligated balances in the Low-Income Energy Efficiency Program Fund to the City of Charlottesville for development of a transitional housing and life skills training facility for individuals and families. Utility bills are an economic pressure that may result in housing instability for low-income Virginians.)

Item 102 #12s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 105, after line 7 insert:
"R.1. From the amounts authorized in Item 102, Paragraph Q.2.c., Chapter 725, 2025 Acts of Assembly, it is the intent of the General Assembly that these funds will carry forward for the same purpose and that the Department of Housing and Community Development will issue a contract by August 1, 2026.
2. As authorized in Item 102, Paragraph Q.2., Chapter 725, 2025 Acts of Assembly, an additional $200,000 in the first year shall be provided to extend the pilot program through June 30, 2027. An interim report detailing the pilot program launch will be submitted to the Chairs of the Senate Finance and Appropriations Committee and the House Appropriations Committee by November 1, 2026."

Explanation:

(This amendment continues authorization of funding provided in Chapter 725, 2025 Acts of Assembly, and extends the pilot emergency communications program through June 30, 2027.)

Item 102 #13s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 105, strike lines 5 through 7.
Page 482, strike lines 4 through 5.

Explanation:

(This amendment removes language included in the introduced budget bill that diverts funding from the Low-Income Energy Efficiency Program Fund to the Department of Emergency Management.)

Item 103 #1s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$190,000	$190,000	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$77,877,403".
Page 105, line 8, strike "$77,687,403" and insert "$77,877,403".
Page 106, line 22, strike "$190,943" and insert "$380,943".
Page 106, line 23, strike "$190,943" and insert "$380,943".

Explanation:

(This amendment provides an additional $190,000 GF each year for the Hampton Roads Planning District. The district serves as the hub for regional cooperation in Hampton Roads and provides services and promotes collaboration that result in cost savings and return on investment for the region.)

Item 103 #2s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$7,000,000	$0	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$84,687,403".
Page 112, after line 12, insert:
"X. Out of the amounts in this Item, $7,000,000 the first year from the general fund is provided to the City of Portsmouth to support the Prentis Street transmission water main improvements project."

Explanation:

(This amendment provides $7.0 million GF the first year to the City of Portsmouth to support transmission water main improvements to increase reliability in the city water distribution system, make the system more resilient, and eliminate risk for downtown Suffolk.)

Item 103 #3s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$3,500,000	$3,500,000	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$81,187,403".
Page 105, line 8, strike "$77,687,403" and insert "$81,187,403".
Page 112, after line 12, insert:
"X. Out of this appropriation, $3,500,000 the first year and $3,500,000 the second year from the general fund is provided to the Town of Dumfries to support the development of the U.S. Route 1 corridor. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027 and June 30, 2028 shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $3.5 million GF each year for the Town of Dumfries to support redevelopment projects along the U.S. Route 1 corridor including pedestrian safety improvements, placemaking, and historic preservation activities.)

Item 103 #4s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	($140,000)	($140,000)	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$77,547,403".
Page 105, line 8, strike "$77,687,403" and insert "$77,547,403".
Page 107, line 43, strike "the Virginia Main Street Program,".
Page 107, line 41, strike "$1,139,000" and "$1,139,000" and insert:
"$999,000" and "$999,000".
Page 107, line 42, after "Program." insert:
"The Department is authorized to use up to forty percent of the funds provided in this paragraph each year to administer the program."

Explanation:

(This amendment adjusts funding for the Virginia Main Street Program by $360,000 GF in each year of the biennium when combined with actions in the introduced budget to ensure the state retains its accreditation with the Main Street America program, which requires one state program staffer for every 10 main street communities. The state currently has 30 main street communities.)

Item 103 #5s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Housing and Community Development	$1,350,000	$0	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$79,037,403".
Page 112, after line 12, insert:
"X. Out of this appropriation, $1,350,000 the first year from the general fund is provided to the City of Petersburg to work with Petersburg City Public Schools, Virginia State University, and other community and non-profit partners to develop a state-of-the-art aquaponics food production, education, and research facility. The funding provided in this paragraph may be used for site selection, community engagement, master plan development, design, staffing, and

launching aquaponics pilot programs with three public schools in Petersburg City. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027, and June 30, 2028 shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $1.4 million GF the first year to support the development of an aquaponics food production, education, and research facility in Petersburg.)

Item 103 #6s

Commerce and Trade	FY26-27	FY27-28	
Department of Housing and Community Development	$25,000	$0	GF

Language:

Page 105, line 8, strike "$77,687,403" and insert "$77,712,403".
Page 112, after line 12, insert:
"X. Out of this appropriation, $25,000 the first year from the general fund is provided to Loudoun County to support the work of the Sterling Foundation."

Explanation:

(This amendment provides $25,000 GF the first year for the Sterling Foundation that promotes and engages in community development activities.)

Item 103 #7s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 108, line 1, strike "102" and insert "103".
Page 108, after line 49, insert:
"7.a. Out of the amounts in this paragraph O, the department is authorized to use up to $10,000,000 to establish a program to provide grants for unexpected costs incurred by broadband providers related to the expansion of broadband throughout the Commonwealth. Such “Broadband Deployment Awards” are intended for reimbursement of unexpected make ready costs incurred by providers of broadband service that are expanding service to unserved or underserved areas pursuant to a state or federal grant. For purposes of this paragraph, “unexpected make ready costs” shall be limited to costs related to utility pole replacements and mid-span pole installations; railroad crossings; and, where cost-effective, undergrounding of broadband lines.

b. The department may establish an application process for broadband providers to apply for such Broadband Deployment Awards. The intent of such awards is to mitigate broadband deployment-related costs that applicants have already paid or committed to paying, rather than making deployment contingent on receipt of a Broadband Deployment Award. Applicants shall be required to submit the following information: (i) the amount of the requested funding; (ii) documentation sufficient to establish that the applicant has already paid or committed to spending the money necessary to complete the broadband deployment; (iii) an explanation as to why the actual make ready costs were higher than anticipated when the provider sought state or federal grant funding; and (iv) any other information, protections, or criteria determined by the department as necessary to effectuate the provisions of this subparagraph 7."

Explanation:

(This language only amendment provides for using existing state resources for unexpected broadband make-ready costs and establishes parameters for the grants.)

Item 103 #8s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 108, line 1, strike "102" and insert "103".
Page 108, after line 49, insert:
"7.a. Out of the amounts in this paragraph O, the department may utilize up to $10,000,000 to establish a program to reimburse broadband providers for costs associated with relocating facilities located in public rights-of-way when such relocation is mandated by the Commonwealth or the federal government. For purposes of this subparagraph 7, relocation expenses shall include, without limitation, relocation of broadband-related lines and facilities located along or across rights of way controlled by the Virginia Department of Transportation. This paragraph does not confer or imply a right to reimbursement of relocation expenses, only that such expenses are eligible for reimbursement at the department's discretion.
b. The department may develop and establish criteria and an application process for broadband providers to seek discretionary reimbursement for relocation expenses. The intent of such reimbursement is to ensure that reliable broadband service remains available throughout the Commonwealth and that providers are incentivized to maintain such service even in high-cost, low-customer density areas. Applicants for reimbursement shall be required to submit the following information: (i) information regarding the estimated or actual costs associated with the mandated re-location; (ii) the amount of broadband service locations that rely on the broadband facilities for service; (iii) the value of the facilities to be relocated; (iv) the age of the facilities to be relocated; and (v) any other information, protections, or criteria determined by the department as necessary to effectuate the provisions of this subparagraph 7."

Explanation:

(This language only amendment provides for using existing state resources for forced relocation of broadband facilities in public right-of-ways and establishes parameters for the grants.)

Item 103 #9s

Commerce and Trade

Department of Housing and Community Development — Language

Language:

Page 112, after line 12, insert:
"X. Notwithstanding the provisions of § 10.1 - 1330, Code of Virginia, the department shall utilize $1,480,000 of unobligated balances in the Low-Income Energy Efficiency Program Fund (02017) for Albemarle County to design and construct an accessible walking trail to connect Biscuit Run Park to the Monacan Indian Nation Tribute Park within the Southwood Mobile Home Park Redevelopment Project."

Explanation:

(This amendment provides $1.5 million from the unobligated balances in the Low-Income Energy Efficiency Program Fund the first year to Albemarle County for a one-mile, accessible trail from the state-owned and locally-developed Biscuit Run Park to the newly-opened Monacan Indian Nation Tribute Park within the Southwood Mobile Home Park Redevelopment Project, a nonprofit-led, inclusive, mixed-income community.)

Item 109 #1s

Commerce and Trade	**FY26-27**	**FY27-28**	
Department of Energy	$1,375,000	$575,000	GF
	3.00	3.00	FTE

Language:

Page 114, line 2, strike "$4,931,922" and insert "$6,306,922".
Page 114, line 2, strike "$4,931,922" and insert "$5,506,922".
Page 114, after line 35, insert:
"F. Out of this appropriation, $1,375,000 the first year and $575,000 the second year from the general fund and three positions are provided for the fiscal impact of legislation from the 2026 Session."

Explanation:

(This amendment provides $1.4 million GF the first year, $575,000 GF the second year, and 3.0

positions for the fiscal impact of legislation passed during the 2026 Session.)

Item 109 #2s

Commerce and Trade	FY26-27	FY27-28	
Department of Energy	$10,000,000	$10,000,000	GF

Language:

Page 114, line 1, strike "$4,931,922" and insert "$14,931,922".
Page 114, line 1, strike "$4,931,922" and insert "$14,931,922".
Page 114, after line 35, insert:
"F. Out of this appropriation, $10,000,000 the first year and $10,000,000 the second year from the general fund is provided to support the Virginia Clean Energy Innovation Bank."

Explanation:

(This amendment provides $10.0 million GF each year to create and fund the Virginia Clean Energy Innovation Bank, as provided for in legislation passed during the 2026 Session, to accelerate the deployment of clean energy projects, greenhouse gas emissions reduction projects, and other qualified projects.)

Item 109 #3s

Commerce and Trade	FY26-27	FY27-28	
Department of Energy	$2,000,000	$0	GF

Language:

Page 114, line 1, strike "$4,931,922" and insert "$6,931,922".
Page 114, after line 35, insert:
"F. Out of this appropriation, $2,000,000 the first year from the general fund is provided to implement the Solar Interconnection Grant Program. The department may use up to fifteen percent of the funds provided in this paragraph for staffing in each year."

Explanation:

(This amendment provides $2.0 million GF the first year to establish the Solar Interconnection Grant Program, in accordance with legislation passed during the 2026 Session. The Commission on Electric Utility Regulation endorsed the amendment and legislation.)

Item 113 #1s

Commerce and Trade	FY26-27	FY27-28

Virginia Economic Development Partnership	$500,000	$500,000	GF

Language:

Page 117, line 29, strike "$60,413,402" and insert "$60,913,402".
Page 117, line 29, strike "$60,413,402" and insert "$60,913,402".
Page 119, strike lines 29 through 55.
Page 120, strike lines 1 through 20, and insert:
"S.1. Out of this appropriation, $6,500,000 the first year and $6,500,000 the second year from the general fund is provided to support employer-focused activities that further the goal of providing all postsecondary students in Virginia with one or more paid internships during their undergraduate course of study. These activities include: (i) administering the matching grant program for certain employers of higher education related student interns as provided in S.2.*;* (ii) coordinating regional collaboratives to serve as intermediaries for employers seeking to initiate or expand employment of higher education related student interns in a region; and (iii) measuring and reporting program participation and progress toward identified goals through the Virginia Office of Education and Workforce Alignment. The Authority shall convene a stakeholder group from business, industry, education, economic and workforce development, and government, including the following primary partners for employer engagement: Virginia Chamber of Commerce; Virginia Business Higher Education Council; and other statewide local government and non-profit education partners to design these activities. At the recommendation of the stakeholder group, the Authority may enter into a Memorandum of Understanding (MOU) with Virginia Works to carry out the activities listed in this paragraph; however, the Authority shall remain the fiscal agent for these activities. Such amounts to be authorized will be subject to annual approval by the Board of the Authority.

2. The Authority shall provide for implementation of a program of matching grants for small and midsize Virginia-based employers that hire undergraduate student interns and shall establish criteria for the grants in consultation with the partners identified in paragraph S.1. of this Item. Such criteria shall include: (i) a limitation of eligibility to for-profit business, nonprofit organizations, and local governments excluding institutions of higher education, with physical operations and facilities in Virginia and 150 or fewer Virginia-based employees; (ii) certification of employer eligibility by the Authority following a training program of reasonable duration and agreement by the employer to reasonable mentoring and reporting obligations; (iii) a limitation of grant awards to reimbursement, not to exceed $7,500 per higher education related internship, for a maximum of one-half of wages, including FICA, and workplace subsidies, including transportation, housing, and other internship-related expenses, paid to or for the benefit of a student participating in a qualifying internship; (iv) the minimum and maximum number of hours required to ensure the student gains valuable work experience; (v) a limitation of the qualifying number of higher education related internships per employer; and (vi) the maximum timeframe for employers to be eligible to receive the grants. Prioritization of grant awards may consider employers of 50 or fewer employees, for private and non-profit employers. Priority shall be given to smaller units of local government; however, the 50

employee threshold shall not apply to them. Local governments shall be exempt from the employee requirement of clause (i.) of this paragraph. The Authority may provide other services to employers, including arranging for one or more staffing agencies to provide services related to higher education related intern recruitment and placement, but eligibility for matching grants shall not be conditioned on an employer's engagement with or use of such staffing agency or other services. Local government awards shall be limited to ten percent of total funding set aside by the Authority for employer matching grants.

3. The Authority may employ a program administrator, contract for professional services related to marketing and communications, and take such other actions within its existing authority as it deems appropriate to accomplish the purposes of this paragraph and facilitate the partnerships and collaboration described herein. All activities and amounts are subject to annual approval by the Board of the Authority.

4. The Authority shall cooperate with the State Council of Higher Education for Virginia and identified partners in carrying out the responsibilities of the Council identified in Item 133 I. of this act and shall formalize this cooperation through a MOU.

5. Notwithstanding any provision of law, the senior leader responsible for the internship program identified in Item 113 S. may serve as a designee for the President of the Virginia Economic Development Partnership as specified in § 23.1-200 C.

6. Out of the amounts in this paragraph, $750,000 the first year is provided for the MOVE Chamber, in partnership with the Authority and the Virginia Community College System, to develop and implement a pilot program to provide internship and apprenticeship opportunities with existing Virginia businesses for at least 1,000 students and recent graduates of the Virginia Community College System in Artificial Intelligence, Data Science, and Cybersecurity over the next three years. This program will be delivered by the MOVE Chamber of Tysons, Virginia."

Explanation:

(This amendment provides an additional $500,000 GF in each year of the biennium for the Internship Virginia program managed by the Virginia Economic Development Partnership Authority, and allows local governments to apply for matching grants to help offset the costs of providing internship opportunities to college students.)

Item 113 #2s

Commerce and Trade

Virginia Economic Development Partnership — Language

Language:

Page 120, after line 20, insert:
"T. Notwithstanding § 2.2-2240 of the Code of Virginia, the Virginia Economic Development

Partnership shall report quarterly to the General Assembly on any corporation established by the Board pursuant to § 2.2-2240. The report shall include, at a minimum, all revenue and operating activities of the nonstock corporation and any VEDP staff time used on the work of the corporation, including any reimbursement for such staff time, and shall be submitted no later than one month after the close of each calendar quarter."

Explanation:

(This amendment directs VEDP to report quarterly on the activities of any nonstock corporation established pursuant to the Board's authority.)

Item 114 #1s

Commerce and Trade	**FY26-27**	**FY27-28**	
Virginia Tourism Authority	$100,000	$0	GF

Language:

Page 120, line 25, strike "$31,385,719" and insert "$31,485,719".
Page 121, line 1, strike the first instance of "$4,250,000" and insert: "$4,350,000".
Page 121, line 7, after "Virginia," insert: "$100,000 the first year to the Blue Highway Festival".
Page 121, after line 21, insert:
"4. It is the intent of the General Assembly that the amounts in this paragraph provided for the Blue Highway Festival shall be provided in its entirety in the first quarter of the fiscal year."

Explanation:

(This amendment provides $100,000 GF the first year to support the Blue Highway Festival, held annually in Big Stone Gap, Virginia. It attracts tourists and musicians from around the world.)

Item 114 #2s

Commerce and Trade	**FY26-27**	**FY27-28**	
Virginia Tourism Authority	$75,000	$0	GF

Language:

Page 120, line 25, strike "$31,385,719" and insert "$31,460,719".
Page 121, line 1, strike the first instance of "$4,250,000" and insert "$4,325,000".
Page 121, line 7, after "Virginia," insert: "$75,000 the first year to the Virginia Sports Hall of Fame,".

Explanation:

(This amendment provides $75,000 GF the first year to support the Virginia Sports Hall of

Fame.)

Item 115 #1s

Commerce and Trade	FY26-27	FY27-28	
Virginia Innovation Partnership Authority	($35,000,000)	$0	GF

Language:

Page 122, line 21, strike "$76,786,965" and insert "$41,786,965".
Page 127, line 18, after "Assembly." insert:
"As prescribed in Item 115, paragraph P., Chapter 725, 2025 Acts of Assembly, on or before August 1 of each year, upon signature of the MOU, the University of Virginia shall submit information on the financial performance of the initiative to the Authority, to include (i) budget and actual revenue and expenditures to planned revenues and expenditures for the fiscal year; (ii) total investments broken out into various investment activities; and (iii) cash balances."
Page 127, strike lines 20 through 34.

Explanation:

(This amendment redirects $35.0 million GF the first year from the University of Virginia's Institute for Biotechnology to other budget priorities.)

Item 115 #2s

Commerce and Trade	FY26-27	FY27-28	
Virginia Innovation Partnership Authority	$75,000	$125,000	GF

Language:

Page 122, line 21, strike "$76,786,965" and insert "$76,861,965".
Page 122, line 21, strike "$41,786,965" and insert "$41,911,965".
Page 127, line 10, after "Item" strike "$125,000" and insert "$200,000".
Page 127, line 10, after "and" strike "$125,000" and insert "$250,000".

Explanation:

(This amendment provides an additional $75,000 GF the first year and $125,000 GF the second year for the Virginia Academy of Science, Engineering, and Medicine to expand the Commonwealth of Virginia Engineering and Science Fellowship program and to produce scientific briefs by leveraging private and institutional funds to conduct programs for policy makers.)

Item 115 #3s

Commerce and Trade	FY26-27	FY27-28	
Virginia Innovation Partnership Authority	$6,000,000	$0	GF

Language:

Page 122, line 21, strike "$76,786,965" and insert "$82,786,965".
Page 127, line 35, after Q. insert "1."
Page 127, after line 44, insert:
"2. Out of the appropriation in this Item, $6,000,000 the first year from the general fund is provided for Virginia Polytechnic Institute and State University's Patient Research Center. Virginia Polytechnic Institute and State University shall enter into a Memorandum of Understanding (MOU) with the Virginia Innovation Partnership Authority (VIPA) that includes (i) performance metrics for the state's investments; (ii) sources of private philanthropic, university, and other funding; (iii) the research specialization of the initiative; (iv) opportunities for joint research projects and clinical trials; and (v) commitments to non-competition for research in life sciences. Virginia Polytechnic Institute and State University and the Authority may amend an existing MOU to satisfy the requirements of this paragraph. These amounts shall remain unallotted by the Director of the Department of Planning and Budget until such time as an executed MOU has been received from VIPA. On or before August 1 of each year, upon the signature of the MOU, Virginia Polytechnic Institute and State University shall submit information on the financial performance of the initiative to VIPA to include: (i) budgeted and actual revenues and expenditures to planned revenues and expenditures for the fiscal year; (ii) total investments broken out into various investment activities; and (iii) cash balances."

Explanation:

(This amendment provides $6.0 million GF the first year to support Virginia Tech's Patient Research Center, bringing total general fund support to $32.5 million.)

Item 115 #4s

Commerce and Trade	FY26-27	FY27-28	
Virginia Innovation Partnership Authority	$3,000,000	$0	GF

Language:

Page 122, line 21, strike "$76,786,965" and insert "$79,786,965".
Page 127, line 45, after "R." insert "1."
Page 127, after line 54, insert:
"2. Out of the appropriation in this Item, $3,000,000 the first year from the general fund is

provided for Virginia Commonwealth University's Medicines for All Institute. Virginia Commonwealth University shall enter into a Memorandum of Understanding (MOU) with the Virginia Innovation Partnership Authority (VIPA) that includes (i) performance metrics for the state's investments; (ii) sources of private philanthropic, university, and other funding; (iii) the research specialization of the initiative; (iv) opportunities for joint research projects and clinical trials; and (v) commitments to non-competition for research in life sciences. Virginia Commonwealth University and the Authority may amend an existing MOU to satisfy the requirements of this paragraph. These amounts shall remain unallotted by the Director of the Department of Planning and Budget until such time as an executed MOU has been received from VIPA. On or before August 1 of each year, upon the signature of the MOU, Virginia Commonwealth University shall submit information on the financial performance of the initiative to VIPA to include: (i) budgeted and actual revenues and expenditures to planned revenues and expenditures for the fiscal year; (ii) total investments broken out into various investment activities; and (iii) cash balances."

Explanation:

(This amendment provides $3.0 million GF the first year for Virginia Commonwealth University's Medicines for All Institute, bringing total general fund support to $16.0 million.)

Item 117 #1s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Department of Education, Central Office Operations	$1,700,000 4.00	$750,000 4.00	GF FTE

Language:

Page 129, line 31, strike "$169,148,616" and insert "$170,848,616".
Page 129, line 31, strike "$169,148,616" and insert "$169,898,616".

Explanation:

(This amendment provides $1.7 million GF the first year, $750,000 GF the second year, and 4.0 positions each year to support the impact of legislation passed in the 2026 Session.)

Item 117 #2s

Education: Elementary and Secondary

Department of Education, Central Office Operations — Language

Language:

Page 132, after line 44, insert:
"O. The Department of Education shall review funding for regional career and technical

education schools, including (i) identifying funding sources and amounts for such schools and (ii) proposing recommendations and estimated costs for alternative funding mechanisms, including but not limited to a similar mechanism as Academic Year Governor's Schools. The Department shall report on the findings of the review to the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee by November 1, 2026."

Explanation:

(This amendment provides language directing the Department of Education to report on the funding sources and amounts for regional career and technical education schools and propose recommendations and estimated costs for alternate funding models, including but not limited to a mechanism similar to Academic Year Governor's Schools. A report to the Chairs of the House Appropriations Committee and Senate Finance and Appropriations Committee is due by November 1, 2026.)

Item 118 #1s

Education: Elementary and Secondary

Department of Education, Central Office Operations — Language

Language:

Page 135, after line 1, insert:
"K. The Department of Education (DOE) shall, after consultation with the local schools currently utilizing Children Services Act (CSA) funds for transitional services, as defined in § 2.2-5211 of the Code of Virginia, issue guidance regarding how local school divisions can utilize CSA funds for transition services. Such guidance shall be issued by December 1, 2026. DOE shall make recommendations to the Chairs of the Senate Finance and Appropriations Committee, Health and Human Resources Subcommittee, and the House Appropriations Health and Human Resources Subcommittee on (i) removing barriers to using Students with Intensive Support Needs Application (SISNA) funds including additional recommended uses of SISNA funds that would allow children to remain in their public school, and (ii) how DOE will make the SISNA application process less cumbersome. Such recommendations shall address concerns raised by local education agencies as noted in DOE's report to the Office of Children's Services."

Explanation:

(This amendment provides language ensuring that the Department of Education issues guidance on how localities can use existing authority to transition students back to public schools from private day placements and would request information on how the students with intensive support needs funding and application process could be more flexible and used to keep students at risk of private day placements in their public school setting.)

Item 120 #1s

Education: Elementary and Secondary

Department of Education, Central Office Operations	Language

Language:

Page 136, after line 21, insert:
"D. The Department of Education, in collaboration with school divisions, shall review participation in the Community Eligibility Provision statewide, including (i) reasons for non-participation among schools with Identified Student Percentages between 25.0 and 40.0 percent with a focus on those with an Identified Student Percentage between 35.0 and 40.0 percent, (ii) a summary of the financial benefits that schools or divisions participating in the Community Eligibility Provision have realized, and (iii) recommendations for encouraging participation, including cost estimates for each option. The Department shall report to the Chairs of the House Committees on Education and Appropriations and the Senate Committees on Education and Health and Finance and Appropriations by October 15, 2026.”

Explanation:

(This amendment directs the Department of Education to review participation in the Community Eligibility Provision statewide and provide a report by October 15, 2026.)

Item 123 #1s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Department of Education, Central Office Operations	($1,500,000)	($500,000)	GF

Language:

Page 137, line 41, strike "$31,040,859" and insert "$29,540,859".
Page 137, line 41, strike "$30,040,859" and insert "$29,540,859".
Page 139, strike lines 18 through 28.

Explanation:

(This amendment redirects $1.5 million GF the first year and $500,000 GF the second year and strikes the associated language related to a digital wallet initiative from the introduced budget to other policy priorities.)

Item 123 #2s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**

Department of Education, Central Office Operations	$1,000,000	$250,000	GF

Language:

Page 137, line 41, strike "$31,040,859" and insert "$32,040,859".
Page 137, line 41, strike "$30,040,859" and insert "$30,290,859".
Page 139, after line 28, insert:
"N. Out of this appropriation, $1,000,000 the first year and $250,000 the second year from the general fund is provided to support the Joint Subcommittee on Elementary and Secondary Education Funding. The Superintendent of Public Instruction shall issue a Request for Proposals (RFP) for a contractor to support the development of a new funding formula. The RFP shall be subject to the approval of a majority of the House members and a majority of the Senate members of the Joint Subcommittee on Elementary and Secondary Education Funding. The Superintendent shall ensure continued collaboration between the contractor, the Joint Subcommittee, and the Department of Planning and Budget."

Explanation:

(This amendment provides $1.0 million GF the first year and $250,000 GF the second year for the Joint Subcommittee on Elementary and Secondary Education Funding's continued work on JLARC recommendations. Language allows the funding to be used for a contractor to support the work of the Joint Subcommittee.)

Item 123 #3s

Education: Elementary and Secondary	FY26-27	FY27-28	
Department of Education, Central Office Operations	$5,138,000	$0	GF

Language:

Page 137, line 41, strike "$31,040,859" and insert "$36,178,859".
Page 139, after line 28, insert:
“N.1. Out of this appropriation, $5,138,000 the first year from the general fund is provided for the continued implementation of a statewide learning management system (LMS) and resources.
2. The Department of Education shall establish a workgroup to explore long-term funding options to support school division usage, Virtual Virginia activities, and professional learning support. The workgroup should consist of representatives from participating school divisions, Virtual Virginia, and the Virginia Community College System to review impacts to dual enrollment and two-year matriculation, equitable access to high school and college credit courses along with viable funding possibilities. The workgroup shall report to the Chairs of the House Committees on Education and Appropriations and the Senate Committees on Education and Health and Finance and Appropriations by November 1, 2026.”

Explanation:

(This amendment provides $5.1 million GF the first year to support a statewide learning management system. Language directs the Department of Education to establish a workgroup to explore long-term funding options and report by November 1, 2026.)

Item 123 #4s

Education: Elementary and Secondary	
Department of Education, Central Office Operations	Language

Language:

Page 139, after line 28, insert:
"N. 1. The Department of Education, in coordination with other entities the Department deems appropriate, shall develop type 1 diabetes informational materials for the parents and guardians of students. The informational materials shall be made available to each school division through the Department's website.

2. School boards shall make the type 1 diabetes materials accessible to the parent or guardian of a student when the student is first enrolled in elementary school and annually thereafter.

3. Information provided to parents and guardians may include: (i) a description of type 1 diabetes, (ii) a description of the risk factors and warning signs associated with type 1 diabetes, (iii) a description of the need for screening all students for early detection of type 1 diabetes using a blood autoantibody test, and (iv) a recommendation regarding those students displaying warning signs associated with type 1 diabetes or positive early detection screening results that the parents or guardians of those students should immediately consult with the students' primary care provider to develop an approximate treatment plan, which may include consultation with and examination by a specialty care provider, including a properly qualified endocrinologist."

Explanation:

(This amendment requires information about type 1 diabetes to be developed and disseminated to parents of public school students.)

Item 124 #1s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$900,000	$900,000	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$53,893,467".
Page 139, line 40, strike "$52,235,967" and insert "$53,135,967".
Page 152, after line 32, insert:

"EEE. Out of this appropriation, $900,000 the first year and $900,000 the second year from the general fund is provided to support the Diplomas for All Program at the Goodwill Industries of the Valley's Excel Center to help adults earn high school diplomas and workforce credentials."

Explanation:

(This amendment provides $900,000 GF each year to support the Diplomas for All Program at the Goodwill Industries of the Valley's Excel Center to help adults earn high school diplomas and workforce credentials.)

Item 124 #2s

Education: Elementary and Secondary	
Direct Aid to Public Education	Language

Language:

Page 152, line 15, strike "Pilot".

Explanation:

(This language amendment removes the "pilot" status of the Community Builders Program to reflect the impact of legislation that passed the Senate during the 2026 General Assembly Session.)

Item 124 #3s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$1,500,000	$1,500,000	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$54,493,467".
Page 139, line 40, strike "$52,235,967" and insert "$53,735,967".
Page 142, line 31, strike each instance of "$2,281,000" and insert "$3,781,000".
Page 142, line 34, strike each instance of "$708,000" and insert "$2,208,000".
Page 142, line 53, after "hours." insert: "Scholarships may be used to assist with expenses incurred during the supervised clinical practice required for licensure."

Explanation:

(This amendment provides an additional $1.5 million GF each year to support teaching scholarship loans. Language specifies that scholarship money may be used to assist with expenses during the supervised clinical practice required for licensure.)

Item 124 #4s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$300,000	$300,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,293,467".
Page 139, line 41, strike "$52,235,967" and insert "$52,535,967".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $300,000 the first year and $300,000 the second year from the general fund is provided to the Virginia Museum of History and Culture to support the Civics Connects program for middle school-aged children in the Commonwealth."

Explanation:

(This amendment provides $300,000 GF each year for the Virginia Museum of History and Culture to support the Civics Connects program to improve civics education in alignment with the civics and economics Standards of Learning (SOLs).)

Item 124 #5s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$2,000,000	$0	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$54,993,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $2,000,000 the first year from the general fund is provided to support the AI Innovation in Education Pilot Program. The Department shall administer the Program and develop guidelines. Funding may be used to support the adoption of artificial intelligence software, programs, and training."

Explanation:

(This amendment provides $2.0 million GF the first year to support the AI Innovation in Education Pilot Program. Language requires the Department of Education to administer the program and establish guidelines, and specifies that funds may be used to support the adoption of artificial intelligence software, programs, and training. This amendment supports the fiscal impact of legislation passed in the 2026 Session.)

Item 124 #6s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$500,000	$0	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$53,493,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $500,000 the first year from the general fund is provided for grants, administered by the Department of Education, to high-need public elementary and secondary schools to assist such schools with the purchase of Automated External Defibrillators for the development and/or implementation of a cardiac emergency response plan (CERP) to further promote CERP preparedness."

Explanation:

(This amendment provides $500,000 GF the first year to support grants, administered by the Department of Education, to high-need public elementary and secondary schools to assist in the purchase of Automated External Defibrillators (AED) for the development or implementation of Cardiac Emergency Response Plans (CERP) to further promote CERP preparedness.)

Item 124 #7s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$250,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,243,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $250,000 the first year from the general fund is provided to the Boys and Girls Club of the Northern Neck to support the Northumberland Youth and Teen Clubhouse."

Explanation:

(This amendment provides $250,000 GF the first year to the Boys and Girls Club of the Northern Neck to support the Northumberland Youth and Teen Clubhouse.)

Item 124 #8s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$500,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,493,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $500,000 the first year from the general fund is provided to DonorsChoose to administer a grant program consisting of individual grants of supplies valued at no more than $750 per grant for Virginia public school teachers, within their first two years of service, to obtain supplies and materials for their classrooms or school operations."

Explanation:

(This amendment provides $500,000 GF the second year to DonorsChoose to administer a grant program for Virginia public school teachers within their first two years of service to obtain supplies and materials for their classrooms or school operations.)

Item 124 #9s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$500,000	$0	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$53,493,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $500,000 the first year from the general fund is provided to the Virginia Alliance of YMCAs to support the continuation of the partnership between the YMCA of South Hampton and Virginia Beach Public Schools."

Explanation:

(This amendment provides $500,000 GF the first year to the Virginia Alliance of YMCAs to continue the partnership between the YMCA of South Hampton and Virginia Beach Public Schools.)

Item 124 #10s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$2,500,000	$2,500,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$55,493,467".
Page 139, line 41, strike "$52,235,967" and insert "$54,735,967".
Page 151, line 41, strike each instance of "$2,500,000" and insert "$5,000,000".

Explanation:

(This amendment provides an additional $2.5 million GF each year for Community Schools Development and Implementation Planning Grants, bringing the total appropriation to $5.0 million GF each year.)

Item 124 #11s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$250,000	$0	GF

Language:

Page 139, line 40, strike "$52,993,467" and insert "$53,243,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $250,000 the first year from the general fund is provided to the Blue Ridge Partnership for Health Science Careers to support the cost of a feasibility study for the establishment of a Regional Public Biomedical Sciences High School."

Explanation:

(This amendment provides $250,000 GF the first year for the Blue Ridge Partnership for Health Science Careers to conduct a feasibility study for the establishment of a Regional Public Biomedical Sciences High School, embedded in a K–12 education-to-employment pipeline, located on the Virginia Tech Carilion Riverside medical campus.)

Item 124 #12s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$100,000	$100,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,093,467".
Page 139, line 41, strike "$52,235,967" and insert "$52,335,967".
Page 151, line 24, strike each instance of “$150,000” and insert “$250,000”.

Explanation:

(This amendment provides an additional $100,000 GF each year for Reck League, bringing the total appropriation to $250,000 GF each year.)

Item 124 #13s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**

Direct Aid to Public Education	$4,100,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$57,093,467".
Page 152, after line 32, insert:
“EEE. Out of this appropriation, $4,100,000 the first year from the general fund is provided to Rockingham County Public Schools to support career and technical education programs, including equipment.”

Explanation:

(This amendment provides $4.1 million GF the first year to support career and technical education programs in Rockingham County Public Schools.)

Item 124 #14s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$750,000	$750,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,743,467".
Page 139, line 41, strike "$52,235,967" and insert "$52,985,967".
Page 146, line 41, strike each instance of "$2,850,000" and insert "$3,600,000".
Page 146, line 50, strike each instance of "$1,100,000" and insert "$1,850,000".

Explanation:

(This amendment provides an additional $750,000 GF each year to support the Richmond Teacher Residency Program to sustain essential operational costs and ensure the continued preparation of highly effective teachers for Virginia's hard-to-staff schools. This brings the total appropriation for the Richmond program to $1.9 million GF each year.)

Item 124 #15s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$193,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,186,467".
Page 152, after line 32, insert:
“EEE. Out of this appropriation, $193,000 the first year from the general fund shall be provided to the Virginia Girl Scout Legislative Coalition to support youth mental wellness programs for girl scouts in the Nation's Capital Council, Colonial Coast Council, Commonwealth of Virginia

Council, and Virginia's Skyline Council. Each council will receive $43,250 to develop “patch” programs and hold mental health summits."

Explanation:

(This amendment provides $193,000 GF the first year to the Virginia Girl Scout Legislative Coalition to support youth mental wellness programs.)

Item 124 #16s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$250,000	$250,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,243,467".
Page 139, line 41, strike "$52,235,967" and insert "$52,485,967".
Page 149, line 45, strike "$1,157,065" and "$1,157,065" and insert:
"$1,407,065" and "$1,407,065".

Explanation:

(This amendment provides $250,000 GF each year to increase support for the Dolly Parton Imagination Library, bringing total support to $1.4 million GF annually. This additional state support will allow the program to establish local program partners in additional communities across the Commonwealth.)

Item 124 #17s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$500,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,493,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $500,000 the first year from the general fund is provided for REACH Virginia to provide teacher retention services to Virginia public school divisions."

Explanation:

(This amendment provides $500,000 GF the first year to support REACH Virginia to provide teacher retention and mentorship services.)

Item 124 #18s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$350,000	$350,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,343,467".
Page 139, line 41, strike "$52,235,967" and insert "$52,585,967".
Page 149, line 5, strike "$850,000" and "$850,000" and insert:
"$1,200,000" and "$1,200,000".

Explanation:

(This amendment provides $350,000 GF each year to increase support for Blue Ridge PBS, bringing total support to $1.2 million GF annually.)

Item 124 #19s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$950,000	$950,000	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,943,467".
Page 139, line 41, strike "$52,235,967" and insert "$53,185,967".
Page 151, line 5, strike "$250,000" and "$250,000" and insert:
"$1,200,000" and "$1,200,000".

Explanation:

(This amendment provides $950,000 GF each year to increase support for PBS Appalachia, bringing total support to $1.2 million GF annually. This additional support aligns PBS Appalachia with support provided for other Virginia PBS stations and supports its role as the production arm for southwest Virginia.)

Item 124 #20s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$200,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,193,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $200,000 the first year from the general fund is provided to support the New Chesapeake Men for Progress Education Foundation to provide mentoring for

young men in the community and enhanced services for underserved youth."

Explanation:

(This amendment provides $200,000 GF the first year to support the New Chesapeake Men for Progress Education Foundation to provide mentoring for young men in the community and enhanced services for underserved youth.)

Item 124 #21s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$100,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,093,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $100,000 the first year from the general fund is provided for Virginia Outdoor Education Program grants. These grants are provided by the Department to assist school divisions seeking to develop outdoor learning spaces to enhance student learning about the environment. The Department of Education shall establish guidelines for implementation of the program including the application process and award criteria."

Explanation:

(This amendment provides $100,000 GF the first year for grants to school divisions to develop outdoor learning spaces.)

Item 124 #22s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$750,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,743,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $750,000 the first year from the general fund is provided to Hanover County Public Schools for the Hanover Center for Trades and Technology to purchase heavy duty lifts for the Diesel Equipment Tech Program, simulators and multimatic welders, culinary classroom expansion, a 3D anatomy system, and VR welding simulators."

Explanation:

(This amendment provides $750,000 GF the first year to support the purchase of equipment for a career and technical education facility in Hanover County.)

Item 124 #23s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$200,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,193,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $200,000 the first year from the general fund is provided to RFK Outreach to support the purchase of equipment for a mobile cyber education bus."

Explanation:

(This amendment provides $200,000 GF the first year to RFK Outreach to support the purchase of mobile cyber education bus equipment to expand access to cybersecurity, AI literacy, and digital safety training in Hampton Roads.)

Item 124 #24s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$300,000	$0	GF

Language:

Page 139, line 41, strike "$52,993,467" and insert "$53,293,467".
Page 152, after line 32, insert:
"EEE. Out of this appropriation, $300,000 the first year from the general fund is provided to support the Big Free Bookstore operated by REACH, Inc. in Norfolk."

Explanation:

(This amendment provides $300,000 GF the first year to support the Big Free Bookstore program operated by REACH, Inc. to provide new books, school supplies, and resources for at-risk and homeless children in Coastal Virginia.)

Item 125 #1s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$25,638,975	$25,520,387	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,421,505,070".

Page 152, line 33, strike "$11,253,671,960" and insert "$11,279,192,347".
Page 166, line 42, strike “4.75” and insert “6.75”.
Page 166, line 42, strike “5.25” and insert “7.25”.

Explanation:

(This amendment provides $25.6 million GF the first year and $25.5 million GF the second year to increase the special education add-on by two percent for each level of services. This brings the total add-on to 6.75 percent for level 1 students and 7.25 percent for level 2 students.)

Item 125 #2s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$8,613,644	$8,971,318	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,404,479,739".
Page 152, line 33, strike "$11,253,671,960" and insert "$11,262,643,278".
Page 180, line 4, strike “$10,962,824” and insert “$19,576,468”.
Page 180, line 4, strike “$11,418,036” and insert “$20,389,354”.
Page 180, line 9, strike “$0.28” and insert “$0.50”.
Page 181, after line 3, insert:
“d. Divisions and individual schools are encouraged to use funds provided in this section to explore participation in the Community Eligibility Provision."

Explanation:

(This amendment provides $8.6 million GF the first year and $9.0 million GF the second year to increase the per meal reimbursement amount for school breakfast from $0.28 to $0.50 to increase participation in the school breakfast program. A companion language amendment directs the Department of Education to review participation in the Community Eligibility Provision statewide and provide a report by October 15, 2026.)

Item 125 #3s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$25,543,821	$25,370,746	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,421,409,916".
Page 152, line 33, strike "$11,253,671,960" and insert "$11,279,042,706".
Page 166, line 45, strike "$785,857,850" and insert "$811,401,671".
Page 166, line 45, strike "$792,497,223" and insert "$817,867,969".

Page 167, line 3, strike "37.0" and insert "38.5".

Page 167, line 4, after "student" insert " the first year, and a payment equal to a 0.0 to 39.0 percent basic-aid add-on per estimated At-Risk student the second year".

Explanation:

(This amendment provides $25.5 million GF the first year and $25.4 million GF the second year to increase the maximum At-Risk Add-On percentage to 49.5 each year.)

Item 125 #4s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$127,226,811	$260,688,253	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,523,092,906".
Page 152, line 33, strike "$11,253,671,960" and insert "$11,514,360,213".
Page 168, line 21, strike "$382,547" and insert "$765,060"
Page 168, line 22, strike "$772,166" and insert "$1,560,466".

Page 168, line 23, strike each instance of "2.0" and insert "4.0"
Page 179, line 38, strike "$605,964" and insert "$1,211,938"
Page 179, line 39, strike "$1,237,529" and insert "$2,499,538".

Page 179, line 41, strike each instance of "2.0" and insert "4.0"
Page 184, line 27, strike "$126,238,320" and insert "$253,465,131".
Page 184, line 27, strike "$253,615,840" and insert "$514,304,093".
Page 184, line 30, strike "2.0" and insert "4.0".

Page 184, line 32, strike "2.0" and insert "4.0".
Page 184, line 36, strike "2.0" and insert "4.0".
Page 184, line 37, strike "2.0" and insert "4.0".
Page 184, line 39, strike "2.0" and insert "4.0".
Page 184, line 44, strike "2.0" and insert "4.0".
Page 184, line 45, strike "2.0" and insert "4.0".

Page 184, strike lines 50 through 54 and insert:
"b. Out of this appropriation, $1,211,938 the first year and $2,499,538 the second year from the general fund is provided for the state share of the salary increases stated in paragraph a. above for Academic Year Governor's Schools, and $765,060 the first year and $1,560,466 the second year from the Lottery Proceeds fund is provided for the state share of these salary increases for

Regional Alternative Education Programs."

Page 185, line 2, strike "2.0" and insert "4.0".
Page 185, line 3, strike "2.0" and insert "4.0".
Page 185, line 3, strike "4.04" and insert "8.16".

Explanation:

(This amendment provides $127.2 million GF the first year and $260.7 million GF the second year to increase teacher salaries by 2.0 in each year of the biennium, bringing the total teacher salary increase to 4.0 percent each year when combined with the Governor's introduced budget.)

Item 125 #5s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	($17,999,998)	$0	GF
	$17,999,998	$0	NGF

Language:

Explanation:

(This amendment supplants $18.0 million from the general fund the first year with $18.0 million from the Lottery Proceeds Fund to reflect estimated fiscal year 2026 residual profits.)

Item 125 #7s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$50,000,000	$0	GF
	($50,000,000)	$0	NGF

Language:

Page 164, line 8, strike "$360,000,000" and insert "$310,000,000".
Page 170, line 13, after "c." insert: "The Board of Education may offer up to $50,000,000 the first year from the Literary Fund in school construction loans, subject to the availability of funds. Amounts designated for school construction loans that are not obligated in the first year may be obligated in the second year."

Explanation:

(This amendment decreases the Literary Fund amount designated for teacher retirement costs in the first year from $360.0 million NGF to $310.0 million NGF and authorizes $50.0 million from the Literary Fund for school construction loans.)

Item 125 #8s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$9,783,542	$7,773,227	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,405,649,637".
Page 152, line 33, strike "$11,253,671,960" and insert "$11,261,445,187".
Page 153, line 13, strike "$1,858,500,000" and insert "$1,868,283,542".
Page 153, line 13, strike "$1,905,700,000" and insert "$1,913,473,227".

Explanation:

(This amendment provides $9.8 million GF the first year and $7.8 million GF the second year to reflect a sales tax adjustment.)

Item 125 #9s

Education: Elementary and Secondary	FY26-27	FY27-28	
Direct Aid to Public Education	$0	$2,546,403	GF

Language:

Page 152, line 33, strike "$11,253,671,960" and insert "$11,256,218,363".
Page 153, after line 24, insert:
"Sales Tax - Cannabis $0 $2,546,403".

Explanation:

(This amendment provides $2.5 million GF the second year to reflect a sales tax adjustment for cannabis.)

Item 125 #10s

Education: Elementary and Secondary

Direct Aid to Public Education — Language

Language:

Page 179, after line 53, insert:
“j. Notwithstanding § 22.1-26, Code of Virginia, or any other provision of law, any academic year Governor's School established pursuant to § 22.1-26, Code of Virginia, shall be subject to approval by the General Assembly, and shall be included in the introduced budget bill pursuant

to § 2.2-1509, Code of Virginia."

Explanation:

(This language amendment provides that the creation of any new Governor's Schools will be subject to General Assembly approval.)

Item 125 #11s

Education: Elementary and Secondary	
Direct Aid to Public Education	Language

Language:

Page 155, line 36, after "percent." insert:
"Beginning with the 2028-2030 biennium, the true value of property shall include real estate, public service corporations, and tangible personal property under subdivision A 17 of § 58.1-3503, Code of Virginia as reported by the State Department of Education."

Explanation:

(This amendment adds to the computation of the local composite index the value of computer equipment and peripherals used in a data center beginning with the 2028-2030 biennium.)

Item 125 #12s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$25,000,000	$24,999,993	GF

Language:

Page 152, line 33, strike "$11,395,866,095" and insert "$11,420,866,095".
Page 152, line 33, strike "$11,253,671,960" and insert "$11,278,671,953".
Page 183, line 14, strike "$276,361,277" and insert "$336,361,282".
Page 183, line 16, strike "419.83" and insert "457.81".
Page 183, line 16, strike "$422.56" and insert "$460.79".
Page 184, after line 10, insert:
"f. Of the amounts listed above, $24,999,996 in the second year is one-time and should not be carried forward in the base budget."

Explanation:

(This amendment provides $25.0 million GF each year to increase the infrastructure and operations per pupil amount to $457.81 in the first year and $460.79 in the second year.)

Item 126 #1s

Education: Elementary and Secondary	**FY26-27**	**FY27-28**	
Direct Aid to Public Education	$50,000,000	$0	GF

Language:

Page 187, line 17, strike "$691,911,494" and insert "$741,911,494".
Page 194, after line 25, insert:
"G. Out of this appropriation, $50,000,000 the first year from the general fund is provided for the Employee Child Care Assistance Program administered by the Virginia Early Childhood Foundation (Foundation).

1. In establishing guidelines for the Program, the Foundation shall: (i) limit eligibility for state contributions for slots serving households with income at or below 85 percent of the state median income; (ii) establish a schedule of expected family copayments not to exceed 5 percent of household income for households with income at or below 300 percent of the federal poverty level and between 5 percent and 10 percent of family income for households with incomes above 300 percent of the federal poverty level and below 85 percent of the state median income; and (iii) provide that the state match does not exceed 40 percent of the cost of the slot remaining after application of family copayments.

2. Program funds shall be provided on a first-come, first-served basis. The Foundation is encouraged to prioritize participation of small businesses and serving a variety of employers and employees representing each Ready Region.

3. For the purpose of the Program, "Eligible mixed delivery provider" means a child day center or family day home that has been selected or identified to deliver mixed delivery services through a local agreement with the relevant regional entity established pursuant to subsection D of § 22.1-289.05 of the Code of Virginia, "Employer" means an employer with at least one employee who works in the Commonwealth in each of 20 or more calendar weeks in the current or preceding calendar year, and "Small business" means an employer with fewer than 50 employees.

4. The Foundation shall provide an initial progress report to the General Assembly by November 1, 2026."

Explanation:

(This amendment provides $50.0 million GF the first year to support the Employee Child Care Assistance Program, as established in legislation during the 2026 Session.)

Item 131 #1s

Education: Higher Education	**FY26-27**	**FY27-28**

State Council of Higher Education for Virginia	$7,700,000	$7,700,000	GF

Language:

Page 196, line 46, strike "$373,888,512" and insert "$381,588,512".
Page 196, line 46, strike "$376,358,512" and insert "$384,058,512".
Page 197, line 13, strike the first instance of "$112,325,881" and insert "$120,025,881".
Page 197, line 13, strike the second instance of "$112,325,881" and insert "$121,925,881".

Explanation:

(The amendment provides and additional $7.7 million GF each year for the Tuition Assistance Grant (TAG) Program. The amount provides awards at the levels included in the current budget due to higher than expected enrollment growth.)

Item 131 #2s

Education: Higher Education	FY26-27	FY27-28	
State Council of Higher Education for Virginia	$9,450,000	$2,650,000	GF

Language:

Page 196, line 46, strike "$373,888,512" and insert "$383,338,512".
Page 196, line 46, strike "$376,358,512" and insert "$379,008,512".
Page 200, line 11, strike "$23,750,000" and insert "$33,200,000".
Page 200, line11, strike "$37,350,000" and insert $40,000,000".
Page 200, line 12, strike "13,600,000" and insert "$6,800,000".
Page 200, after line 23, insert:
"6. To the greatest extent possible, institutions shall submit reimbursement requests within 60 days of program completion by the student and credential remibrusements shall be submitted within 90 days of program completion unless otherwise excepted by the Council. All annual data shall be submitted by November 1 to ensure that the annual report may be compiled and validated by the deadline.
7. By August 1 of each year, the participating institutions shall each submit to the Council an implementation plan for the awarding of program funds, including a list of new program offerings, which programs from the prior year will no longer be offered, and institutional plans for instances where funds are anticipated to be exhausted prior to the end of the fiscal year."

Explanation:

(This amendment provides $9.5 million GF the first year and $2.7 million GF the second year for the New Economy Workforce Credential Grant (Fast Forward). Additional funding is needed to maintain the community colleges' current programs and begin addressing the backlog of high demand programs.)

Item 131 #3s

Education: Higher Education	**FY26-27**	**FY27-28**	
State Council of Higher Education for Virginia	($75,000,000)	($75,000,000)	NGF

Language:

Page 196, line 46, strike "$373,888,512" and insert "$298,888,512".
Page 196, line 46, strike "$376,358,512" and insert "$301,358,512".
Page 201, line 11, after "fund" strike the remainder of the line.
Page 201, line 12, strike "second year from nongeneral funds"
Page 201, strike lines 21 through 24.

Explanation:

(This amendment removes authorization for the use of nongeneral fund resources to support tuition waiver programs.)

Item 131 #4s

Education: Higher Education	**FY26-27**	**FY27-28**	
State Council of Higher Education for Virginia	$75,000	$75,000	GF

Language:

Page 196, line 46, strike "$373,888,512" and insert "$373,963,512".
Page 196, line 46, strike "$376,358,512" and insert "$376,433,512".
Page 197, after line 28, insert:
"d. Out of the amounts included in this item, $75,000 each year from the general fund is designated to expand and create new certificate and academic pathways to address workforce gaps for skilled technical workers in aero space related fields through the Virginia Space Grant Consortium."

Explanation:

(This amendment provides $75,000 GF each year to expand and create new certificate and academic pathways to address workforce gaps in aero space related fields through the Virginia Space Grant Consortium.)

Item 131 #5s

Education: Higher Education	**FY26-27**	**FY27-28**	
State Council of Higher Education for Virginia	$3,330,000	$0	GF

Language:

Page 196, line 46, strike "$373,888,512" and insert "$377,218,512".
Page 201, after line 24, insert:
"K. Out of this appropriation, $3,330,000 the first year from the general fund is provided for implementation of a medical education grant-for-service program. The Council may utilize up to 10 percent of the funds provided in this paragraph for administrative costs associated with implementing the program, including costs incurred by the Virginia Health Workforce Development Authority for program operations.
1. Eligibility to apply for a grant pursuant to the Program shall be limited to any person who has (i) enrolled in or been accepted at an eligible institution; (ii) demonstrated financial need, as determined by the Council; (iii) agreed to enter into a written agreement to pursue clinical practice in an approved medical specialty; and (iv) agreed to enter into a service agreement in accordance with the provisions of § 23.1-646.
2. The Council, in coordination with the Authority, shall establish policies for the prioritization of the selection of applicants, including prioritizing applications from (i) prior-year recipients under the Program who are in good standing at the time of reapplication and (ii) applicants who are domiciled in the Commonwealth, as established in accordance with § 23.1-502.
3. The Council, in coordination with the Authority, shall develop a process for eligible institutions to nominate students for receipt of support from the Program and, to the extent practicable, ensure representation from each eligible institution among applicants selected under this section.
4. The Council shall award a grant in an amount of up to $50,000 to a recipient who has completed a service agreement pursuant to the Program for each academic year of participation. Recipients under the Program may renew grants received pursuant to the Program on an annual basis for up to four years, provided that the total award over such four-year period shall not exceed a total award amount of $200,000 for the duration of enrollment at an eligible institution.
5. For each academic year a recipient receives a grant pursuant to the Program, the recipient shall be required to complete a service agreement to engage in clinical practice in a designated service area. The service agreement shall require the recipient to complete (i) two years of full-time clinical practice for the first academic year for which the recipient receives a grant pursuant to the Program and (ii) one additional year of full-time clinical practice for each additional academic year for which the recipient receives a grant pursuant to the Program. However, the service agreement may be satisfied through half-time clinical practice at a rate equivalent to two years of half-time practice for each year of full-time practice required.
6. The Council, in coordination with the Authority, shall establish policies and procedures for

the administration of the Program. Such policies and procedures shall address, at a minimum:
a. Requirements for recipients to maintain communication with the program administrator throughout the duration of the recipient's participation in the Program, including requirements for recipients to regularly verify the status of their educational training, practice, and setting;
b. Procedures by which recipients may request deferment of their service agreement, not to extend beyond five years from the date on which the service was originally required to commence, except in the case of temporary disability, for any of the following reasons: (i) completion of a medical fellowship following residency; (ii) required active military service of the recipient or the recipient's spouse; (iii) temporary medical disability that renders the recipient unable to engage in the practice of medicine; (iv) family medical leave, including parental leave or leave to care for a member of the recipient's immediate family; or (v) other eligible reasons, as determined by the program administrator; and
c. Procedures for the verification by the program administrator of the eligibility of the recipient's practice setting and geographic location, including the procedures governing transitions between approved or otherwise eligible practice sites.
7. As used in this item, unless the context requires a different meaning:
"Approved medical specialty" means general pediatrics, family medicine, emergency medicine, obstetrics and gynecology, general psychiatry, child psychiatry, geriatric medicine, or a high-needs specialty as determined by the Authority.
"Approved postgraduate residency training program" means a residency training program in an approved medical specialty.
"Authority" means the Virginia Health Workforce Development Authority established pursuant to § 32.1-122.7.
"Designated service area" means any of the following located in the Commonwealth: (i) a geographic health professional shortage area designated in accordance with the criteria set forth in 42 C.F.R. Part 5; (ii) a locality designated by the U.S. Office of Management and Budget as micropolitan or non-metropolitan; (iii) a Federally Qualified Health Center or Rural Health Clinic, as defined in 42 C.F.R. § 405.2401(b); (iv) a critical access hospital as designated pursuant to 42 C.F.R. Part 485, Subpart F; (v) a clinic organized in whole or in part for the delivery of health care services without charge; or (vi) a rural emergency hospital as designated pursuant to 42 C.F.R. Part 485, Subpart E.
"Eligible institution" means any accredited medical or osteopathic school in the Commonwealth that awards the degree of doctor of medicine or doctor of osteopathic medicine and is approved by the program administrator.
"Full-time clinical practice" means the practice of medicine for an average of 40 hours per week for at least 45 weeks per year, of which not less than 32 hours per week is devoted to direct patient care.
"Half-time clinical practice" means the practice of medicine for 20 to 39 hours per week for at least 45 weeks per year, of which not less than 18 hours is devoted to direct patient care and which meets such other requirements as are established by the program administrator.
"Service agreement" means a written agreement entered into by a grant recipient under the Program to engage in clinical practice in a designated service area for the requisite period as a condition of the grant award.”

Explanation:

(This amendment provides $3.3 million GF the first year to fund the Medical Education Grant-for-Service program.)

Item 133 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
State Council of Higher Education for Virginia	($250,000)	($250,000)	GF

Language:

Page 201, line 38, strike "$32,923,956" and insert "$32,673,956".
Page 201, line 38, strike "$33,238,021" and insert "$32,988,021".
Page 205, strike lines 30 through 36.

Explanation:

(This amendment defers a proposed initiative in the introduced budget.)

Item 133 #2s

Education: Higher Education

State Council of Higher Education for Virginia — Language

Language:

Page 205, after line 36, insert:
"T. The State Council of Higher Education for Virginia (SCHEV) shall conduct a study and impact analysis of the decline in international student enrollment at four-year colleges and universities in the Commonwealth and to develop recommendations to address such impacts. In conducting the study, SCHEV shall work in coordination with public institutions of higher education and shall (i) identify public colleges and universities exhibiting sustained declines in international student enrollment over multiple consecutive academic years, as well as those experiencing a significant decline during the 2025–2026 academic year; (ii) compare enrollment trends between public and private four-year institutions to determine whether declines are consistent statewide or disproportionately affecting specific categories of institutions; and (iii) evaluate international student enrollment trends in graduate programs and assess whether graduate-level enrollment is declining at a similar or higher rate than undergraduate enrollment. SCHEV shall further assess the institutional, academic, financial, economic, societal, and workforce impacts associated with declining international student enrollment, including but not limited to impacts on tuition revenue, research capacity, graduate education, workforce pipelines, and the Commonwealth's long-term economic competitiveness. As part of this

analysis, SCHEV shall examine the extent to which current federal administration policies, including visa, immigration, and related regulatory actions, have contributed to observed enrollment trends. SCHEV shall submit its findings and any recommendations in a report to the Chairs of the House Committee on Education and the Senate Committee on Education and Health, the Secretary of Education, and the Governor no later than December 1, 2026."

Explanation:

(This amendment directs a study and impact analysis of the decline in international student enrollment at four-year colleges and universities in the Commonwealth and the development of recommendations to address such impacts.)

Item 133 #3s

Education: Higher Education	
State Council of Higher Education for Virginia	Language

Language:

Page 205, line 3, strike "pilot".
Page 205, line 4, strike "pilot" and insert "program".

Explanation:

(This amendment clarifies that the mental health workforce program is ongoing.)

Item 137 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Christopher Newport University	$1,059,252	$1,226,994	GF

Language:

Page 206, line 22, strike "$117,767,350" and insert "$118,826,602".
Page 206, line 22, strike "$117,029,450" and insert "$118,256,444".

Explanation:

(This amendment provides $1.1 million GF the first year and $1.2 million GF the second year for the Science and Engineering Research Center at Christopher Newport University.)

Item 141 #1s

Education: Higher Education	**FY26-27**	**FY27-28**

The College of William and Mary in Virginia	$327,000 2.30	$327,000 2.30	GF FTE

Language:

Page 208, line 12, strike "$301,698,112" and insert "$302,025,112".
Page 208, line 12, strike "$300,659,162" and insert "$300,986,162".

Explanation:

(This amendment provides $327,000 GF each year and 2.3 positions to continue the Community Law Clinic at the William and Mary Law School, which serves community members in matters of housing, family law, public benefits, consumer protection, and other general litigation issues. Funds are expected to provide pro bono legal services to support underrepresented members of the greater Hampton Roads community in civil legal matters and provide law students with the opportunity to be a part of a clinical program to gain the experience they need to become effective legal advocates.)

Item 145 #1s

Education: Higher Education	FY26-27	FY27-28	
Virginia Institute of Marine Science	($402,400)	($314,209)	GF

Language:

Page 211, line 5, strike "$36,218,471" and insert "$35,816,071".
Page 211, line 5, strike "$36,012,305" and insert "$35,698,096".
Page 212, strike lines 40 and 41.

Explanation:

(This amendment defers $402,400 GF the first year and $314,209 GF the second year in support for a new study of algal blooms that was provided in the introduced budget.)

Item 148 #1s

Education: Higher Education	FY26-27	FY27-28	
George Mason University	$250,000	$50,000	GF

Language:

Page 213, line 22, strike "$856,112,781" and insert "$856,362,781".
Page 213, line 22, strike "$841,978,378" and insert "$842,028,378".

Explanation:

(This amendment provides $250,000 GF the first year and $50,000 GF the second year for the Schar School of Policy and Government to implement a Civics Education Pilot Program. The initiative will create a course, in coordination with the Virginia Commission on Civics, which is available to students from all Virginia public universities.)

Item 152 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
James Madison University	$0	$1,000,000	GF
	0.00	14.69	FTE

Language:

Page 216, line 42, strike "$457,060,106" and insert "$458,060,106".
Page 218, after line 6, insert:
"F. As part of the six year plan process, James Madison University shall develop a phased transition to direct admission for the undergraduate nursing program. The transition plan shall be reported as part of the August 2026 six year plan submission."

Explanation:

(This amendment provides $1.0 million GF the second year and 14.69 positions to ensure program viability and expansion of the accelerated Fast Flex nursing program. The program allows students to complete core nursing coursework in one year through non-traditional scheduling. Continued funding will support the launch of a new non-traditional Bachelor of Science in Nursing (BSN) program while maintaining the existing four-year BSN program and growing the number of nursing graduates. In addition, James Madison University is directed to develop an implementation plan for direct admission to the undergraduate nursing program to better anticipate and manage demand.)

Item 160 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Norfolk State University	$2,000,000	$0	GF

Language:

Page 220, line 46, strike "$158,218,457" and insert "$160,218,457".

Explanation:

(This amendment provides $2.0 million GF the first year for continued Enterprise Resource Planning (ERP) modernization at Norfolk State University.)

Item 160 #2s

Education: Higher Education	FY26-27	FY27-28	
Norfolk State University	$6,000,000	$6,000,000	GF

Language:

Page 220, line 46, strike "$158,218,457" and insert "$164,218,457".
Page 220, line 46, strike "$157,560,357" and insert "$163,560,357".

Explanation:

(This amendment provides funding to continue the initiative provided for in Chapter 725 to expand the ongoing HBCU collaboration that includes Norfolk State University, Virginia State University, Hampton University, and Virginia Union University.)

Item 179 #1s

Education: Higher Education	FY26-27	FY27-28	
University of Mary Washington	$2,000,000	$0	GF

Language:

Page 234, line 16, strike "$109,984,774" and insert "$111,984,774".

Explanation:

(This amendment provides $2.0 million GF the first year for continued Enterprise Resource Planning (ERP) modernization at University of Mary Washington.)

Item 193 #1s

Education: Higher Education	FY26-27	FY27-28	
University of Virginia's College at Wise	$500,000	$500,000	GF

Language:

Page 241, line 48, strike "$49,537,942" and insert "$50,037,942".
Page 241, line 48, strike "$49,297,042" and insert "$49,797,042".

Explanation:

(This amendment provides an additional $750,000 GF each year to ensure that UVA Wise remains an affordable and accessible option for students.)

Item 197 #1s

Education: Higher Education	FY26-27	FY27-28	
Virginia Commonwealth University	($1,900,000)	($1,900,000)	GF

Language:

Page 243, line 33, strike "$807,664,839" and insert "$805,764,839".
Page 243, line 33, strike "$804,033,239" and insert "$802,133,239".

Explanation:

(This amendment defers proposed new funding in the introduced budget.)

Item 214 #1s

Education: Higher Education	FY26-27	FY27-28	
Virginia Polytechnic Institute and State University	($1,900,000)	($1,900,000)	GF

Language:

Page 262, line 29, strike "$1,134,711,020" and insert "$1,132,811,020".
Page 262, line 29, strike "$1,131,519,520" and insert "$1,129,619,520".

Explanation:

(This amendment defers proposed new funding in the introduced budget.)

Item 219 #1s

Education: Higher Education	FY26-27	FY27-28	
Virginia Cooperative Extension and Agricultural Experiment Station	$300,000	$300,000	GF

Language:

Page 266, line 28, strike "$116,561,722" and insert "$116,861,722".
Page 266, line 28, strike "$116,561,722" and insert "$116,861,722".

Explanation:

(This amendment provides $300,000 GF each year to support the operation and maintain the level of service provided by the Virginia Cooperative Extension and Agricultural Experiment

Station.)

Item 220 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Virginia State University	$2,000,000	$0	GF

Language:

Page 267, line 25, strike "$129,008,555" and insert "$131,008,555".

Explanation:

(This amendment provides $2.0 million GF the first year for continued Enterprise Resource Planning (ERP) modernization at Virginia State University.)

Item 220 #2s

Education: Higher Education	**FY26-27**	**FY27-28**	
Virginia State University	$6,000,000	$6,000,000	GF

Language:

Page 267, line 25, strike "$129,008,555" and insert "$135,008,555".
Page 267, line 25, strike "$128,403,505" and insert "$134,403,505".

Explanation:

(This amendment provides funding to continue the initiative provided for in Chapter 725 to expand the ongoing HBCU collaboration that includes Norfolk State University, Virginia State University, Hampton University, and Virginia Union University.)

Item 224 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Cooperative Extension and Agricultural Research Services	$300,000	$300,000	GF

Language:

Page 270, line 20, strike "$21,296,772" and insert "$21,596,772".
Page 270, line 20, strike "$21,296,772" and insert "$21,596,772".

Explanation:

(This amendment provides $300,000 GF each year to support the operation and maintain the level of service provided by the Cooperative Extension and Agricultural Research Services.)

Item 225 #1s

Education: Other Education	**FY26-27**	**FY27-28**	
Frontier Culture Museum of Virginia	$150,000	$150,000	GF

Language:

Page 271, line 5, strike "$3,901,103" and insert "$4,051,103".
Page 271, line 5, strike "$3,901,103" and insert "$4,051,103".

Explanation:

(This amendment provides $150,000 GF each year to support operating expenses at the Frontier Culture Museum.)

Item 226 #1s

Education: Other Education	**FY26-27**	**FY27-28**	
Gunston Hall	$150,000	$150,000	GF

Language:

Page 271, line 28, strike "$1,638,907" and insert "$1,788,907".
Page 271, line 28, strike "$1,638,907" and insert "$1,788,907".

Explanation:

(This amendment provides $150,000 GF each year to support operating expenses at Gunston Hall.)

Item 227 #1s

Education: Other Education	**FY26-27**	**FY27-28**	
Jamestown-Yorktown Foundation	$150,000	$150,000	GF

Language:

Page 271, line 41, strike "$23,456,456" and insert "$23,606,456".
Page 271, line 41, strike "$23,456,456" and insert "$23,606,456".

Explanation:

(This amendment provides $150,000 GF each year to support operating expenses at the Jamestown-Yorktown Foundation.)

Item 230 #1s

Education: Other Education	FY26-27	FY27-28	
The Library Of Virginia	$1,000,000	$1,000,000	GF

Language:

Page 273, line 9, strike "$27,429,726" and insert "$28,429,726".
Page 273, line 9, strike "$27,429,726" and insert "$28,429,726".

Explanation:

(This amendment provides $1.0 million GF each year to support state aid to local public libraries.)

Item 232 #1s

Education: Other Education	FY26-27	FY27-28	
The Science Museum of Virginia	$150,000	$150,000	GF

Language:

Page 274, line 1, strike "$17,097,822" and insert "$17,247,822".
Page 274, line 1, strike "$17,497,822" and insert "$17,647,822".

Explanation:

(This amendment provides $150,000 GF each year to support operating expenses at the Science Museum of Virginia.)

Item 237 #1s

Education: Higher Education	FY26-27	FY27-28	
New College Institute	$0	$3,185,419	GF

Language:

Page 276, line 24, strike "$1,597,035" and insert "$4,782,454".
Page 277, strike lines 9 through 10.

Explanation:

(This amendment provides $3.2 million GF the second year to continue general fund support for the New College Institute during completion and consideration of the sustainability plan.)

Item 238 #1s

Education: Higher Education	FY26-27	FY27-28	
Institute for Advanced Learning and Research	($4,670,000)	($4,670,000)	GF

Language:

Page 277, line 18, strike "$12,916,322" and insert "$8,246,322".
Page 277, line 18, strike "$12,916,322" and insert "$8,246,322".

Explanation:

(This amendment defers $4.7 million GF in both years provided in the introduced budget for administration of the Great Opportunities in Technology and Engineering Careers (GO TEC) program. The Institute for Advanced Learning and Research is conducting a sustainability study to determine the funding structure for ongoing program administration costs.)

Item 239 #1s

Education: Higher Education	FY26-27	FY27-28	
Roanoke Higher Education Authority	$220,000	$220,000	GF

Language:

Page 277, line 37, strike "$2,903,651" and insert "$3,123,651".
Page 277, line 37, strike "$2,903,651" and insert "$3,123,651".

Explanation:

(This amendment provides $220,000 GF each year in additional operating support for the Roanoke Higher Education Center.)

Item 240 #1s

Education: Higher Education	FY26-27	FY27-28	
Southern Virginia Higher Education Center	$250,000	$250,000	GF
	5.00	5.00	FTE

Language:

Page 278, line 2, strike "$7,622,330" and insert "$7,872,330".
Page 278, line 2, strike "$7,622,330" and insert "$7,872,330".

Explanation:

(This amendment provides $250,000 GF each year and 5.0 positions to support instructors in high demand programs, including automation and robotics, HVAC, industrial and technical, information technology, and welding.)

Item 241 #1s

Education: Higher Education	FY26-27	FY27-28	
Southwest Virginia Higher Education Center	$200,000	$200,000	GF
	1.00	1.00	FTE

Language:

Page 279, line 2, strike "$5,756,152" and insert "$5,956,152".
Page 279, line 2, strike "$5,756,152" and insert "$5,956,152".

Explanation:

(This amendment provides $200,000 GF each year and 1.0 position to support a full-time healthcare simulation technologist position and operating costs. The Center has secured grant and philanthropic funds to develop the Regional Simulation Lab for Nursing and Allied Health.)

Item 243 #1s

Education: Higher Education	FY26-27	FY27-28	
Maintain Affordable Access	$27,500,000	$45,000,000	GF

Language:

Page 280, line 2, strike "$0" and insert "$27,500,000".
Page 280, line 2, strike "$0" and insert "$45,000,000".
Page 280, after line 12, insert:
"C. Out of this appropriation, $27,500,000 the first year and $45,000,000 the second year from the general fund is designated to support operations of the institutions. For the purposes of budget execution and base budget development, these appropriated funds shall be transferred to the individual institutions. Allocations from this funding are as follows:

Institution	FY 2027	FY 2028

Christopher Newport University	$737,900	$1,207,473
College of William and Mary	$1,038,950	$1,700,100
George Mason University	$3,716,000	$6,080,727
James Madison University	$1,969,450	$3,222,736
Longwood University	$590,950	$967,009
Norfolk State University	$658,100	$1,076,891
Old Dominion University	$2,380,100	$3,894,709
Radford University	$900,050	$1,472,809
University of Mary Washington	$585,650	$958,336
University of Virginia	$2,988,350	$4,890,027
University of Virginia - College at Wise	$240,900	$394,200
Virginia Commonwealth University	$3,631,600	$5,942,618
Virginia Military Institute	$290,050	$474,627
Virginia State University	$605,050	$990,083
Virginia Polytechnic and State University	$3,191,500	$5,222,455
Richard Bland College	$154,350	$252,573
Virginia Community College System	$3,821,050	$6,252,627
Total	**$27,500,000**	**$45,000,000"**

Explanation:

(This amendment provides $27.5 million GF the first year and $45.0 million GF the second year for higher education institution operating costs. State operating support for higher education limits tuition and fee increases for students.)

Item 243 #2s

Education: Higher Education	FY26-27	FY27-28	
Maintain Affordable Access	$0	$50,000,000	GF

Language:

Page 280, line 2, strike "$0" and insert "$50,000,000".
Page 280, after line 12, insert:
"C. Out of this appropriation, $50,000,000 the second year from the general fund is designated to support undergraduate need-based financial aid. For the purposes of budget execution and base budget development, these appropriated funds shall be transferred to the individual institutions. Allocations from this item are as follows:

Institution	FY 2028
Christopher Newport University	$1,100,000
College of William and Mary	$553,333
George Mason University	$6,613,333
James Madison University	$3,226,667
Longwood University	$1,170,000
Norfolk State University	$2,456,667
Old Dominion University	$7,116,667
Radford University	$2,030,000
University of Mary Washington	$780,000
University of Virginia	$1,040,000
University of Virginia - College at Wise	$470,000
Virginia Commonwealth University	$7,050,000
Virginia Military Institute	$216,667
Virginia State University	$2,090,333
Virginia Polytechnic and State University	$4,456,667
Richard Bland College	$173,333
Virginia Community College System	$9,456,333
Total	**$50,000,000"**

Explanation:

(This amendment provides $50.0 million GF the second year to continue and enhance first year support included in the introduced budget bill for undergraduate need-based financial aid.

Item 243 #3s

Education: Higher Education

Maintain Affordable Access | Language

Language:

Page 280, strike lines 3 through 12.

Explanation:

(This amendment removes language related to a tuition cap included in the introduced budget.)

Item 243 #4s

Education: Higher Education	**FY26-27**	**FY27-28**	
Maintain Affordable Access	$0	$25,000,000	GF

Language:

Page 280, line 2, strike "$0" and insert "$25,000,000".
Page 280, after line 2, insert:
"A. Out of this appropriation, $25,000,000 the second year from the general fund is designated to support public higher education institutions with efforts to align operations with enrollment projections. The State Council of Higher Education for Virginia shall solicit proposals from institutions for one-time funding support for consolidation and restructuring efforts. The Secretary of Finance, the Secretary of Education, the Director of the Department of Planning and Budget, the Executive Director of the Council, the Staff Director of the House Committee on Appropriations, and the Staff Director of the Senate Committee on Finance and Appropriations, or their designees, shall review each proposal and determine the allocation of this funding."

Explanation:

(This amendment provides $25.0 million GF the second year to support consolidation and restructuring efforts that align higher education institutions' operations with enrollment projections.)

Item 259 #1s

Finance	
Department of Planning and Budget	Language

Language:

Page 290, after line 37, insert:
"F.1. The Department of Planning and Budget (DPB) shall implement a state agency budget monitoring and training program. DPB shall: (i) develop and deliver training on agency budget monitoring for state agency fiscal and budget staff, which shall include expenditure tracking compared to appropriations and recognition of early signs of a potential budget shortfall; (ii) conduct, no less than quarterly, reviews of agency expenditure data to identify agencies at risk of budget shortfalls; (iii) require any agency projected to exceed available appropriation, as determined by DPB, to develop a corrective action plan and submit to DPB within 15 days of notification; and (iv) report quarterly to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the status of any agency identified as having a potential budget shortfall.

2. The Director of DPB shall have authority to place an agency on a quarterly appropriation allotment schedule for any agency failing to submit or implement corrective action plan within the required timeframes.
3. Every agency shall have at least one fiscal or budget officer attend the annual training on state agency budget monitoring provided by DPB. DPB shall report annually, no later than December 1 of each year, those agencies that did not participate in the training to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

Explanation:

(This amendment establishes a budget monitoring and training program for state agencies.)

Item 261 #1s

Finance	**FY26-27**	**FY27-28**	
Department of Taxation	$490,200,000	$0	GF

Language:

Page 291, line 14, strike "$75,586,564" and insert "$565,786,564".
Page 295, after line 43, insert:
“EE.1. There is hereby established in the state treasury and on the books of the State Comptroller a special nonreverting fund known as the 2026 Fair Share Relief Fund. Interest earned on moneys in the Fund shall be credited to the general fund.

2. Out of this appropriation, $490,200,000 the first year from the general fund shall be deposited into the 2026 Fair Share Relief Fund. Moneys in the Fund shall be used solely for the purpose of providing the tax rebate authorized in subparagraph 3 below. The information statement attached to the tax rebate checks issued pursuant with this item shall state the following message: "The enclosed Fair Share Relief for Working Virginians was authorized by the Senate and House of Delegates to provide tax relief and assist with inflationary impacts."

3. In addition to any refund due pursuant to § 58.1-309 of the Code of Virginia, and for taxable years beginning on and after January 1, 2025, but before January 1, 2026, an individual filing a return on or before November 3, 2026, or married persons filing a joint return on or before November 3, 2026, shall be issued a refund in an amount up to $100 for an individual, or $200 for married persons filing a joint return. An individual shall only be allowed a refund pursuant to this Item up to the amount of such individual's tax liability after the application of any deductions, subtractions, or credits to which the individual is entitled pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1 of the Code of Virginia. Married persons filing a joint return shall only be allowed a refund pursuant to this Item up to the amount of such married persons tax liability after the application of any deductions, subtractions, or credits to which the married persons are entitled pursuant to Chapter 3 of Title 58.1 of the Code of Virginia. Any refund

issued pursuant to this Item shall be subject to collection under the provisions of the Setoff Debt Collection Act (§ 58.1-520 et seq. of the Code of Virginia). For taxpayers filing a return before July 1, 2026, refunds due pursuant to this Item shall be issued on or before October 15, 2026. In no case shall any interest be paid on any refund due pursuant to this Item."

Explanation:

(This amendment provides $490.2 million GF the first year to effectuate an income tax rebate of $100 for single filers and $200 for married filers to be paid during fiscal year 2027.)

Item 261 #2s

Finance	**FY26-27**	**FY27-28**	
Department of Taxation	$1,270,000	$350,000	GF

Language:

Page 291, line 14, strike "$75,586,564" and insert "$76,856,564".
Page 291, line 14, strike "$75,586,564" and insert "$75,936,564".

Explanation:

(This amendment provides $1.3 million GF the first year and $350,000 GF the second year for the impact of legislative actions in this Act.)

Item 264 #1s

Finance	**FY26-27**	**FY27-28**	
Department of the Treasury	$1,312,810	$0	GF

Language:

Page 297, line 9, strike "$65,927,279" and insert "$67,240,089".
Page 297, after line 43, insert:
"F. Out of this appropriation, $1,312,810 the first year from the general fund is provided to make a payment to Mr. Messiah Johnson in accordance with § 8.01-195.11, Code of Virginia, and Chapter 472, 2026 Acts of Assembly. Notwithstanding subsection D. of § 8.01-195.11 of the Code of Virginia, no amounts shall be deducted for transition grants received."

Explanation:

(This amendment provides $1.3 million GF the first year from the general fund for a payment to Mr. Messiah Johnson pursuant to Chapter 472, 2026 Acts of Assembly.)

Item 265 #1s

Finance	**FY26-27**	**FY27-28**	
Department of the Treasury	$1,815,000	$0	GF

Language:

Page 297, line 44, strike "$18,457,046" and insert "$20,272,046".

Explanation:

(This amendment provides $1.8 million from the general fund the first year for the administrative costs at the Department of the Treasury to provide Fair Share tax relief for working Virginians by issuing rebate checks or direct deposit.)

Item 265 #2s

Finance

Department of the Treasury — Language

Language:

Page 298, after line 43, insert:
"H. The Department of the Treasury shall review the the current Virginia Energy Leasing Program (VELP) to determine its effectiveness in promoting and financing energy efficiency improvements in state agencies. The report shall include: (i) an historical review of projects financed through the program including projected and actual energy savings, operational savings, and facility performance improvements associated with financed projects; (ii) project payback periods and cost-effectiveness metrics; (iii) as part of its review, the department shall consider alternative financing arrangements that may further facilitate and encourage state agencies to pursue energy efficiency projects; (iv) any recommendations for improving program efficiency and participation. The report shall be submitted by October 1, 2026, to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.)

Explanation:

(This amendment directs the Department of the Treasury to review the current Virginia Energy Leasing Program (VELP) to determine its effectiveness in promoting and financing energy efficiency improvements in state agencies.)

Item 270 #1s

Health and Human Resources

Secretary of Health and Human Resources — Language

Language:

Page 306, after line 52, insert:

"C.1. The Secretary of Health and Human Resources shall establish a Task Force on the Supplemental Nutrition Assistance Program (SNAP) error rate reduction status and implementation of Community Engagement requirements in the Medicaid program to ensure that the Commonwealth addresses the SNAP error rate in the most prudent manner possible and receives implementation updates for the Medicaid Community Engagement requirements. The Task Force shall include representatives from the Department of Medical Assistance Services, the Department of Social Services, the Department of Planning and Budget, and staff from the House Appropriations and Senate Finance and Appropriations Committees.

2. The Task Force shall: (i) assess the most recent SNAP error rate, including payment error trends, quality control results, and the major policy and operational drivers contributing to the error rate; (ii) evaluate the current corrective action plan to reduce and sustain a lower SNAP error rate; (iii) assess the resources and operational capabilities of the Department of Social Services and local departments to effectively lower the error rate; and (iv) make recommendations to improve the SNAP benefits administration processes.

3. The Task Force shall also: (i) review the status, federal approvals, and implementation timeline of Medicaid Community Engagement requirements; (ii) provide regular enrollment, exemption, and compliance updates; and (iii) recommend strategies to modernize and streamline the eligibility determination and case management system to improve administrative efficiency.

4. The Secretary shall provide an update to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by October 1, 2026, and every 90 days thereafter through the end of fiscal year 2028, on the efforts, progress, and challenges related to decreasing the SNAP error rate and implementing Medicaid Community Engagement Requirements.

D. The Secretary of Health and Human Resources and the Secretary of Labor shall coordinate efforts to ensure applicants and individuals enrolled in the Medicaid expansion program pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the Patient Protection and Affordable Care Act who are subject to work requirements pursuant to House Resolution 1 (H.R. 1), Public Law 119-21, 119th Congress (2025-2026), are connected to work opportunities, including job search, job training, education, job placement assistance, employment, and community service opportunities. Coordination shall include agency data sharing to the extent allowed by federal and state laws to identify and provide outreach and assistance to affected individuals. In addition, agencies in the Health and Human Resources and Labor Secretariat's shall make efforts to work with community providers to assist in these undertakings. The Secretaries of Health and Human Resources and Labor shall provide a progress report on these efforts to the House Appropriations and Senate Finance and Appropriation Committees by December 1, 2026."

Explanation:

(This amendment requires the Secretary of Health and Human Resources to establish a Task Force on the Supplemental Nutrition Assistance Program (SNAP) error rate and implementation of Community Engagement requirements in the Medicaid program to ensure that the Commonwealth addresses the SNAP error rate in the most prudent manner possible and receives implementation updates for the Medicaid Community Engagement requirements. This amendment also adds language requiring coordination by the Secretaries of Health and Human Resources and Labor in connecting applicants and enrollees in Medicaid expansion to work opportunities. These individuals will be subject to work requirements beginning January 1, 2027 and eligibility redeterminations every six months, rather than annually under current law. These changes are required pursuant to the federal legislation passed by Congress, July 2025.)

Item 271 #1s

Health and Human Resources

Children's Services Act — Language

Language:

Page 307, line 36, strike "as defined in the".
Page 307, line 37, strike "Children's Services Act policy manual" and insert "who otherwise meet one of the criteria pursuant to § 2.2-5211, Code of Virginia."

Explanation:

(This amendment clarifies that in order to be eligible for Special Education Wrap Around Services under the Children's Services Act, individuals must meet one of the criteria outlined in § 2.2-5211, Code of Virginia.)

Item 271 #2s

Health and Human Resources

Children's Services Act — Language

Language:

Page 310, strike lines 31 through 32, and insert:
"the rate of reimbursement to localities for private day educational services for the per student/per diem tuition rates shall not increase more than 2.5 percent over the per student/per diem tuition rates for such services provided in the previous year. The 2.5 percent increase shall be based on the maximum allowable amount for fiscal year 2026."

Explanation:

(This amendment clarifies that the rate cap for reimbursement to localities for private day educational services is associated with the per student/per diem tuition rates. The base amount is the maximum allowable amount for fiscal year 2026, and can increase 2.5 percent from the base amount year over year.)

Item 272 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Children's Services Act	($100,000)	($100,000)	GF

Language:

Page 310, line 36, strike "$3,100,312" and insert "$3,000,312".
Page 310, line 36, strike "$3,100,312" and insert "$3,000,312".
Page 310, line 42, strike "1."
Page 310, strike line 42 from "Out" to line 46 "agency."
Page 310, line 46, strike "OCS" and insert "The Office of Children's Services"
Page 310, strike line 51.
Page 311, strike lines 1 through 8.

Explanation:

(This amendment removes $100,000 GF each year provided to the Office of Children's Services (OCS) to contract with the Virginia Department of Education's Office of Special Education to conduct a review of private day placement decisions in those localities with a higher than average number of placements and make recommendations to the local education agency. The review was done last year and OCS indicates another study would be duplicative and not provide significant new information. OCS will still be required to publish on its website private day placements data.)

Item 272 #2s

Health and Human Resources

Children's Services Act — Language

Language:

Page 311, after line 8, insert:
"3. The Office shall annually report for private day school placements the total and per pupil local and state costs and the number of students served, disaggregated by school division and primary disability category. The report shall also include local match rates. For the purpose of this report, the number of students and per pupil costs shall be adjusted to reflect length of enrollment in the program. The Office shall collaborate with the Department of Education to ensure that the data from this report is comparable and aligned with the annual report produced

for the Students with Intensive Support Needs Application (SISNA) program. Such report shall be posted to the Office's website annually no later than December 1, 2026."

Explanation:

(This amendment provides an annual report on CSA-funded private day school placement costs, aligned in a manner to be comparable to a report on Students with Intensive Support Needs Application (SISNA) funded student costs produced by the Department of Education. The SISNA report is established in a companion amendment in Item 125.)

Item 274 #1s

Health and Human Resources

Department of Health — Language

Language:

Page 312, strike lines 25 through 51.
Page 313, strike lines 1 through 56.
Page 314, strike lines 1 through 45.
Page 314, after line 45, insert:
"A. This appropriation shall only be used for the provision of loans or scholarships in accordance with regulations promulgated by the Board of Health and the Virginia Health Workforce Development Authority, or for the administration, management, and reporting thereof.
B. Any unexpended balance in this Item at the close of business on June 30 each year shall not revert to the general fund, but shall be carried forward and reappropriated.
C.1. Out of this appropriation, $7,350,000 the first year and $7,350,000 the second year from the general fund shall be provided to the Virginia Department of Health for the Virginia Behavioral Health Loan Repayment Program. Eligible practitioners include: psychiatrists, licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, child and adolescent psychiatrists, child and adolescent psychiatry Fellows, psychiatric physician assistants, psychiatric pharmacists, psychiatric registered nurses, and psychiatric nurse practitioners. The program shall include a tiered incentive system as follows: (i) Tier I providers: child and adolescent psychiatrists, child and adolescent psychiatry Fellows, psychiatric nurse practitioners, psychiatric registered nurses, and psychiatrists; (ii) Tier II providers: licensed clinical psychologists, licensed clinical social workers, and licensed professional counselors; and (iii) Tier III providers: mental health service professionals defined in § 54.1-2400.1 of the Code of Virginia who are not set forth in C.1. as Tier I or Tier II providers.
2. For each eligible year of service provided, the practitioner shall receive a year of applicable loan repayment award in return. Loan repayment checks will be submitted at the end of each year of service. Payments will be made directly to the lender. Practitioners must agree to a minimum of two years of practice for the behavioral health provider with the ability for two

one-year renewals. The program shall require preference be given to applicants choosing to practice in underserved areas which must be a federally designated mental Health Professional Shortage Area or Medically Underserved Area within the Commonwealth. Practitioners are required to practice at Community Services Boards, behavioral health authorities, state mental health facilities, free clinics, federally qualified health centers, academic medical centers, stand-alone inpatient psychiatric facilities that serve uninsured or medically underserved populations and/or communities, and other similar health safety net organizations in order to be eligible for the program. The award amount is up to 25 percent of student loan debt, not to exceed $50,000 per year for Tier I professionals or $20,000 per year for Tier II professionals. In no instance shall the loan repayment exceed the total student loan debt.

3. No match contribution from practice sites or the community is required. Loan repayment awards shall be tax exempt.

4. The program shall have an Advisory Board, composed of representatives from stakeholder organizations and community members as determined by the department. The Advisory Board will meet annually and provide guidance regarding effective outreach and feedback on both programmatic processes and impact. The department shall provide an annual report to the Advisory Board on successes, challenges, and opportunities with the program.

5. The Board of Health shall develop regulations consistent with this language in order for the department to administer the program.

D.1. Out of this appropriation, $9,571,000 the first year and $9,571,000 the second year shall be provided to the Virginia Health Workforce Development Authority (the Authority) for the administration of nursing scholarship and loan programs pursuant to legislation. The Authority may move appropriation between scholarship or loan repayment programs as long as the scholarship or loan repayment is in accordance with promulgated regulations.

2. Out of the appropriation in D.1., $3,600,000 the first year and $3,600,000 the second year from the general fund shall be provided for the Nursing Preceptor Incentive Program. The Authority shall collaborate with the advisory board to the Virginia Nursing Workforce Center pursuant to [SB 405; pending legislation; § 32.122.7:2 once amended], and other relevant stakeholders on a nursing student preceptor grant program. The program shall offer up to a $5,000 incentive for any Virginia licensed physician, physician's assistant, licensed practical nurse, registered nurse, or advanced practice registered nurse (APRN) who, in conjunction with a licensed and accredited Virginia public or private not-for-profit school of nursing, provides a clinical education rotation of 250 hours, which is certified as having been completed by the school. The amount of the incentive may be adjusted based on the actual number of hours completed during the clinical education rotation. The program shall seek to reduce the shortage of registered nurse clinical education opportunities especially in high demand fields such as psychiatry and anesthesiology.

3. Out of the appropriation in D.1., $35,000 the first year and $35,000 the second year from the general fund is provided for the Nurse Loan Repayment Program to provide loan repayments for certified nurse aides. The total loan repayment allowed per certified nurse aide is limited to no more than $1,000.

4. Out of the appropriation in D.1., $1,936,000 the first year and $1,936,000 the second year from the general fund shall be used to fund nursing scholarship and loan repayment programs to

recruit and retain nurses and nurse faculty, consistent with § 32.1-122.6:01 of the Code of Virginia, the Nursing Preceptor Incentive Program established in Chapter 552, 2021 Special Session I, Acts of Assembly, the Virginia Nurse Practitioner/Nurse Midwife scholarship program, the Nurse Educator Scholarship Program pursuant to 12VAC5-545-10, the Nurse Loan Repayment Program authorized in § 32.1-122.6:04, Code of Virginia, and the Long-Term Facility Nursing Scholarship Program, authorized in § 54.1-3011.2, Code of Virginia.

a. Out of the appropriation in paragraph D.4., $64,000 the first year and $64,000 the second year from the general fund shall be provided to fund the Long-Term Facility Nursing Scholarship, authorized in § 54.1-3011.2, Code of Virginia. The program shall offer a scholarship for any Virginia student accepted for enrollment or enrolled in an approved education program in the Commonwealth of Virginia to become a certified nurse aide, licensed practical nurse, or registered nurse, and who commits to work in a long-term care facility after graduation. For each year of scholarship money received, the participant agrees to engage in the equivalent of one year of full-time nursing practice in a long-term care facility in the Commonwealth.

b. Out of the appropriation in paragraph D.4., $936,000 the first year and $936,000 the second year from the general fund shall be provided for nursing scholarship, loan repayment and incentive programs based on priorities as identified by the Virginia Health Workforce Authority and the ability of the Authority to expedite funding to recipients.

c. Out of the appropriation in paragraph D.4., $300,000 the first year and $300,000 the second year from the general fund may be provided to create a scholarship to support licensed practical nurses serving as a school nurse or school nurse assistant to become a registered nurse, as funds are available. The Authority shall collaborate with the Department of Education in developing the scholarship program in accordance with the recommendations from the 2021 "Report of the Department of Education on School Health Personnel in Virginia Public Schools: Recommendations for Qualifications and Training". The program shall offer a scholarship, not greater than $10,000, for any licensed practical nurse currently serving as a Virginia school nurse to complete the training and education requirements to become a registered nurse in an approved education program in the Commonwealth of Virginia. For each year of the scholarship money received, the student must maintain employment as a school nurse and agree to engage in the equivalent of one year of full-time employment as a school nurse after graduation. Full-time employment during school is not required and does not count towards the required one-year service obligation.

5. Out of the appropriation in D.1., $4,000,000 the first year and $4,000,000 the second year from the general fund shall be provided to the Earn to Learn Nursing Education Acceleration program. The Authority shall establish criteria for making grants from the program, including application guidelines and metrics for evaluation. Grants shall be awarded for the purpose of forming collaborative clinical training arrangements between high schools, colleges and universities, hospitals, and health providers, increasing the number of nursing students receiving necessary clinical training to achieve certification, and creating and ensuring employment opportunities for nursing students. To be eligible for grants, applicants must provide employment opportunities to students at each student's current certification level with compensation consistent with other employees at identical certification levels and must demonstrate that the grant application will increase on a net basis the number of nursing

graduates achieving sufficient clinical hours to achieve higher nursing certifications when compared to averages over the past five years.
E. The Virginia Department of Health and the Virginia Health Workforce Development Authority shall each publish and regularly update on their websites information about respective incentive programs in this appropriation so that information is readily available to the public. In addition, the Authority shall notify nursing schools and nursing programs throughout the Commonwealth of the availability of nursing scholarship and loan repayment program funding, including information about the Nursing Preceptor Incentive Program, prior to each academic year in a timely manner to accept applications and process them.
F. The Virginia Health Workforce Development Authority shall expand the Mary Marshall Scholarship Program to include humanitarian parolees as eligible participants. In addition, the Authority shall expand the program to provide scholarships of up to 100 percent of the fees required to obtain a Credential Service Evaluation Profession Report and the English Language Proficiency Report for those individuals who graduated from a nursing education program in a foreign country prior to admission for licensure.
G. The Virginia Health Workforce Development Authority shall submit an annual report, for the prior fiscal year, by October 1 to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees for the programs funded in this Item to include: (i) total awards by grant program for the prior fiscal year; (ii) total expenditures by grant program for the prior fiscal year; (iii) any remaining funding not expended by the end of the fiscal year; (iv) total administrative costs attributable specifically to the nursing scholarship and loan repayment programs; (iv) total administrative expenditures of the Authority, itemized by personnel, contractual services, information technology, facilities, travel, and other overhead; and (v) program performance and accountability metrics for each scholarship and loan program.
H. The Virginia Health Workforce Development Authority shall submit its audited annual financial report for the prior fiscal year, within 30 days of it being completed, to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. In addition to the annual financial report, the Authority shall include any audit findings and resulting corrective actions and report on the total compensation of the three highest-compensated employees of the Authority for the prior fiscal year. If the audited annual financial report and other required information of the Authority is not submitted by July 1, then no funding in this Item shall be provided to the Authority for that fiscal year until the requirements are met."

Explanation:

(This amendment transfers the administrative oversight of nursing scholarship and loan repayment programs from the Department of Health to the Virginia Health Workforce Development Authority in accordance with the provisions of legislation.)

Item 274 #2s

Health and Human Resources

Department of Health	Language

Language:

Page 314, after line 45, insert:
"J. The Director, Department of Planning and Budget, shall, on or before August 1, 2026, unallot $5,000,000 from the general fund in this Item, which reflects unused balances in the Behavioral Health Loan Repayment Program."

Explanation:

(This amendment captures $5.0 million GF in prior year balances the first year in the Behavioral Health Loan Repayment Program at the Virginia Department of Health.)

Item 275 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Health	$5,000,000	$0	GF

Language:

Page 314, line 46, strike "$51,635,927" and insert "$56,635,927".
Page 316, after line 21, insert:
"I. Out of this appropriation, $5,000,000 the first year from the general fund shall be provided to the Virginia Rescue Squad Assistance Fund."

Explanation:

(This amendment provides $5.0 million GF the first year to support the Virginia Rescue Squad Assistance Fund.)

Item 276 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Health	$142,671	$142,671	GF
	1.00	1.00	FTE

Language:

Page 316, line 22, strike "$21,555,698" and insert "$21,698,369".
Page 316, line 22, strike "$21,555,698" and insert "$21,698,369".
Page 316, after line 24, insert:
"A. Out of this appropriation, $142,671 the first year and $142,671 the second year from the general fund shall be provided to the Office of the Chief Medical Examiner for any case involving a manner of death consistent with Sudden Unexpected Death in Epilepsy (SUDEP) to: (i) in addition to other information it deems appropriate, disclose its investigation into the

cause of death in a full report, which shall include written findings pursuant to § 32.1-283, and (ii) within 30 days of such findings refer the case to a public or private institution, which shall provide to the decedent's next of kin, if known, information regarding the benefits of and process for submitting the deceased's medical information, including information about the deceased's history of epilepsy and seizures, to the North American SUDEP Registry.
B. The Office of the Chief Medical Examiner shall publish resources with information on SUDEP and a SUDEP death investigation form on its website."

Explanation:

(This amendment provides $142,671 GF and 1.0 position each year for the Office of the Chief Medical Examiner (OCME) to investigate any case involving a manner of death consistent with Sudden Unexpected Death in Epilepsy (SUDEP) and provide a full report to a public or private institution. It also requires OCME to publish resources with information on SUDEP and a SUDEP death investigation form on its website.)

Item 277 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Health	$95,197	$95,197	GF

Language:

Page 316, line 29, strike "$9,602,885" and insert "$9,698,082".
Page 316, line 29, strike "$9,602,885" and insert "$9,698,082".

Explanation:

(This amendment adds $95,197 GF each year in the Virginia Department of Health for the State Registrar to update its transmission of death data to the Department of Elections pursuant to the provisions of legislation. This update would require changes to the transmission of a decedent's place of birth and death and the Department of Motor Vehicles customer identifier number from the existing semi-monthly transmission of data to weekly, through an updated data sharing agreement and an annual data match with the Social Security Administration of deceased persons.)

Item 277 #2s

Health and Human Resources

Department of Health — Language

Language:

Page 316, line 36, strike "$12.00" and insert "$15.00".
Page 316, line 39, strike "birth, marriage, or divorce records" and insert: "vital records".

Page 316, line 39, after "records", strike "in state administered".
Page 316, line 41, strike "will be split with 65" and insert: "shall be split with 85".
Page 316, line 42, strike "35 percent to be transferred to the Division of Vital Records" and insert: "15 percent to be transferred to the Office of Vital Records".

Explanation:

(This amendment adds language increasing the fee for vital records from $12.00 to $15.00 and amends language pursuant to the provisions of legislation. Modified language changes the portion of the fee revenue provided to all health districts from 65 percent to 85 percent and the portion going to the Office of Vital Records from 35 percent to 15 percent and allows for the fee revenue to be provided to all health districts, not just state administered health districts.)

Item 278 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$6,600,000	$6,600,000	GF

Language:

Page 316, line 49, strike "$132,907,252" and insert "$139,507,252".
Page 316, line 49, strike "$121,585,668" and insert "$128,185,668".
Page 318, after line 23, insert:
"M. Out of this appropriation, $6,600,000 the first year and $6,600,000 the second year from the general fund shall be provided to the Virginia Department of Health for the purposes of funding the Ryan White HIV/AIDS Program Part B for HIV care services to persons living with HIV/AIDS."

Explanation:

(This amendment provides $6.6 million GF the first year and $6.6 million GF the second year for the Department of Health to support the Ryan White HIV/AIDS Program Part B, which provides wraparound services for patients with HIV/AIDS.)

Item 278 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$105,115	$105,115	NGF
	1.00	1.00	FTE

Language:

Page 316, line 49, strike "$132,907,252" and insert "$133,012,367".
Page 316, line 49, strike "$121,585,668" and insert "$121,690,783".

Explanation:

(This amendment provides the Virginia Department of Health with $105,115 NGF and 1.0 position each year from the Commonwealth Opioid Abatement and Remediation Fund for the development of a strategic plan for opioid response to reduce rates of drug overdose and drug overdose deaths in the Commonwealth pursuant to legislation.)

Item 278 #3s

Health and Human Resources

Department of Health — Language

Language:

Page 318, after line 23, insert:

"M.1. The Department of Health shall establish a workgroup on childhood immunization schedules and immunizations for public health emergencies. The workgroup shall include representatives from practitioner groups, including pediatricians, family medicine doctors, pharmacists, and other stakeholders to review Virginia's statutes and regulations governing childhood immunizations associated with public health emergencies to ensure evidence-based vaccines are included to protect public health. The Commissioner of the Department of Health shall make recommendations to improve Virginians' access to vaccines approved by the FDA and other organizations that review scientific evidence.

2. The Department of Health shall also collaborate with the Department of Medical Assistance, the Bureau of Insurance, and the Association of Health Plans to create recommendations to improve the availability and affordability of vaccines with respect to insurance coverage.

3. The Department of Health shall submit a report of recommendations to the Chairs of the House Appropriations Committee, Senate Finance and Appropriations Committee, House Health & Human Services Committee, and Senate Education and Health Committee by November 1, 2026. "

Explanation:

(This amendment directs the Department of Health to establish a workgroup on childhood immunization schedules and immunizations for public health emergencies and collaborate with the Department of Medical Assistance, the Bureau of Insurance, and the Association of Health Plans to create recommendations to improve the availability and affordability of vaccines with respect to insurance coverage. The workgroup will report to the General Assembly by November 1, 2026.)

Item 278 #4s

Health and Human Resources

Department of Health | Language

Language:

Page 318, after line 23, insert:
"M.1 Any drug manufacturer with a permit under § 54.1-3437, or a nonresident drug manufacturer registered under § 54.1-3442.01, shall certify annually with the Board that it allows for up to five contract pharmacies to be used by each individual Federally Qualified Health Center to which the manufacturer shall ship 340B-covered drugs.
2. Any drug manufacturer that violates this provision is subject to a civil penalty of $5,000. The State Health Commissioner shall assess the civil penalty for each refusal to fulfill a Federally Qualified Health Center's purchase order for a 340B-covered drug for delivery to a contract pharmacy. Each violation constitutes a separate civil penalty. Such penalty shall be collected by the Board and the proceeds shall be deposited into the general fund."

Explanation:

(This amendment requires drug manufacturers to ship 340B-covered drugs for up to five contract pharmacies used by Federally Qualified Health Centers. Any drug manufacturer that does not comply will be subject to a $5,000 penalty.)

Item 278 #5s

Health and Human Resources

Department of Health | Language

Language:

Page 318, after line 23, insert:
"M. Notwithstanding § 54.1-3303.1, a pharmacist may administer an influenza vaccine or COVID-19 vaccine approved by the United States Food and Drug Administration to persons three years of age or older in accordance with the manufacturer's directions. A pharmacist may also delegate the administration of the influenza vaccine to a pharmacy technician or intern under the supervision of a pharmacist. This authority shall expire June 30, 2027."

Explanation:

(This amendment is a temporary measure to ensure pharmacists can administer new influenza and COVID-19 vaccines approved by the United States Food and Drug Administration. Under statute a pharmacist's authority to administer vaccines is tied directly to the Centers for Disease Control and Prevention's (CDC) vaccination schedules. The current schedule is based on 2025. Because the flu vaccine is reformulated every year, the 2025 schedule contains last year's strain specific vaccine. It is expected that the CDC will not meet this year to update their vaccination schedules. Because of this, once the new flu vaccine is approved by the FDA, Virginia pharmacists will not have the authority to administer it.)

Item 279 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$250,000	$0	GF

Language:

Page 318, line 25, strike "$25,832,137" and insert "$26,082,137".

Explanation:

(This amendment provides $250,000 GF the first year to fund the fiscal impact of legislation, which requires a person taking over the daily operations and management of a nursing home when change of ownership or control occurs, to apply to the Commissioner of Health for a change of operator license. The legislation establishes the requirements for the application for the granting of such license and establishes a civil penalty for failing to provide the Commissioner with information or documentation, effectuating a change of operator without applying for a change of operator license, or providing fraudulent information on an application for a change of operator license.)

Item 280 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$300,000	$900,000	GF
	$900,000	$2,700,000	NGF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$181,669,119".
Page 319, line 28, strike "$180,469,119" and insert "$184,069,119".
Page 320, line 24, after "appropriation", strike "$500,000" and insert "$800,000".
Page 320, line 24, after "and", strike "$500,000" and insert "$1,400,000".

Explanation:

(This amendment provides an additional $300,000 GF and $900,000 NGF the first year and $900,000 GF and $2.7 million NGF the second year for the Maternal Infant Early Childhood Home Visiting program. The evidence-based program provides critical home based services for expectant and new parents in ‘at-risk’ communities throughout the state.)

Item 280 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$0	$1,815,358	GF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$182,284,477".

Explanation:

(This amendment provides $1.8 million GF the second year for the State Health Commissioner to establish the Sickle Cell Coordinated Access Network to provide health care providers in the Commonwealth with real-time consultation and support from sickle cell specialists.)

Item 280 #3s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$500,000	$1,000,000	GF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$180,969,119".
Page 319, line 28, strike "$180,469,119" and insert "$181,469,119".
Page 320, line 4, strike "$880,000" and insert "$1,380,000".
Page 320, line 4, strike "$880,000" and insert "$1,880,000".

Explanation:

(This amendment provides an additional $500,000 GF the first year and $1.0 million GF the second year for the comprehensive adult program for sickle cell disease.)

Item 280 #4s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$530,000	$530,000	GF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$180,999,119".
Page 319, line 28, strike "$180,469,119" and insert "$180,999,119".
Page 319, line 51, strike "450,000" and insert "980,000".
Page 319, line 51, strike "450,000" and insert "980,000".

Explanation:

(This amendment provides an additional $530,000 GF the first year and $530,000 GF the second year for the Department of Health's pediatric sickle cell program.)

Item 280 #5s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$382,230	$372,230	GF
	1.00	1.00	FTE

Language:

Page 319, line 28, strike "$180,469,119" and insert "$180,851,349".
Page 319, line 28, strike "$180,469,119" and insert "$180,841,349".

Explanation:

(This amendment adds $382,230 GF the first year and $372,230 GF the second year and 1.0 position for the Virginia Department of Health to establish the Sickle Cell Trait Awareness and Education Program to raise public awareness of and education on sickle cell trait.)

Item 280 #6s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$260,840	$313,000	GF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$180,729,959".
Page 319, line 28, strike "$180,469,119" and insert "$180,782,119".

Explanation:

(This amendment adds $260,840 GF the first year and $313,000 GF the second year to fund legislation which directs the Virginia Department of Health to establish the Severe Maternal Morbidity Surveillance and Review Program for the purpose of identifying, analyzing, and reviewing instances of severe maternal morbidity.)

Item 280 #7s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$2,500,000	$0	GF

Language:

Page 319, line 28, strike "$180,469,119" and insert "$182,969,119".
Page 320, after line 42, insert:
"J.1. Out of this appropriation, $2,500,000 the first year from the general fund shall be provided to pilot perinatal health hub programs throughout the Commonwealth. The Virginia Department of Health, in collaboration with the Virginia Neonatal Perinatal Collaborative, shall provide one-year grant awards for community-based providers (hubs) to improve perinatal outcomes

and to reduce maternal and infant mortality in their communities.
2. The Virginia Department of Health, in collaboration with the Virginia Neonatal Perinatal Collaborative, and in consultation with the Department of Medical Assistance Services, shall establish grant application selection and award criteria. Essential elements shall include: (i) a description of how the funds will be utilized and a description of the services to be provided; (ii) a description of the populations who will be served; (iii) a requirement for collaboration with local and regional stakeholders; (iv) a required physical presence in the region in which a hub will be located; (v) a contractual collaboration with a regional birthing hospital and/or obstetrical clinic for pregnant and postpartum families in the region which the hub is located; (vi) partnerships and/or contracts with Medicaid managed care organizations for the purpose of sharing data and collaboration; (vii) the use of evidence based quality standards as defined by the Virginia Neonatal Perinatal Collaborative and the Health Resources Services Administration; (viii) an evaluation of program impact on populations served; and (ix) a plan for future sustainability.
3. The Virginia Department of Health, in collaboration with the Virginia Neonatal Perinatal Collaborative, shall develop a report that includes, but is not limited to, a listing of participating community providers and award amounts, a description of services provided, a description of populations served, the number of individuals served, and an assessment of health outcomes and program effectiveness. This report shall be provided to the Governor, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees annually on or before June 30. Any unexpended balance at the close of business on June 30, 2027, associated with perinatal hubs shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $2.5 million GF in the first year for the perinatal health hubs pilot development. This amendment reverses the action in the introduced budget to remove the one-time funding of $2.5 million GF each year allocated for the perinatal health hubs pilot development and extends the pilot program into the first year of the biennium.)

Item 281 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Health	$1,800,000	$1,200,000	GF
	($1,200,000)	($1,200,000)	NGF

Language:

Page 320, line 43, strike "$338,600,566" and insert "$339,200,566".
Page 322, line 37, after "appropriation," insert "$1,200,000 the first year and $1,200,000 the second year from the general fund and".
Page 322, line 37, strike the first "$3,000,000" and insert "$1,800,000".
Page 322, line 37, strike the second "$3,000,000" and insert "$1,800,000".

Page 323, after line 51, insert:
"K. Out of this appropriation, $600,000 the first year from the general fund is provided to the Department of Health to provide grants to organizations offering preventative care, including STI testing and cancer screening."

Explanation:

(This amendment supplants $1.2 million NGF each year with GF for the long-acting reversible contraceptives (LARC) program and provides $600,000 GF the first year to support maintaining access to long-acting reversible contraceptives to support health care providers offering preventative services.)

Item 282 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$150,000	$150,000	GF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$33,329,983".
Page 323, line 53, strike "$33,179,983" and insert "$33,329,983".
Page 329, line 1, strike the first "$300,000" and insert "$450,000".
Page 329, line 1, strike the second "$300,000" and insert "$450,000".

Explanation:

(This amendment adds $150,000 GF each year from the general fund for the Adler Inpatient Hospice Center in Aldie, Virginia, which is one of five inpatient hospice centers in Virginia, bringing their total funding to $450,000 each year. The funding will enable the center to provide critical hospice and palliative services to terminally ill Virginians, both adults and children who cannot be served in a home setting.)

Item 282 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$5,000,000	$5,000,000	GF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$38,179,983".
Page 323, line 53, strike "$33,179,983" and insert "$38,179,983".
Page 325, after line 53, insert:
"4. Out of this appropriation, $5,000,000 the first year and $5,000,000 the second year from the general fund shall be used to contract with the Virginia Association of Free and Charitable

Clinics (VAFCC) to support the clinics' delivery of medical, dental, vision, speech, hearing, and behavioral health care as well as prescription medications and substance use disorder services."

Explanation:

(This amendment provides $5.0 million GF each year to support the increased demand for the clinics' delivery of medical, dental, vision, speech, hearing, and behavioral health care as well as prescription medications and substance use disorder services.)

Item 282 #3s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$500,000	$500,000	GF

Language:

Page 323, line 52, strike "$33,179,983" and insert "$33,679,983".
Page 323, line 52, strike "$33,179,983" and insert "$33,679,983".
Page 328, line 51, strike "$500,000" and insert "$1,000,000"
Page 328, line 51, strike "$500,000" and insert "$1,000,000"
Page 328, line 52, after "Healthier757", insert "and HealthierRVA".
Page 328, line 53, after "Hampton Roads" insert "and the City of Richmond".

Explanation:

(This amendment provides $500,000 GF each year to expand the Healthier757 initiative and launch the HealthierRVA initiative.)

Item 282 #4s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$50,000	$50,000	GF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$33,229,983".
Page 323, line 53, strike "$33,179,983" and insert "$33,229,983".
Page 329, after line 8, insert:
"CC. Out of this appropriation, $50,000 the first year and $50,000 the second year from the general fund shall be provided to the ETSI Health Clinic."

Explanation:

(This amendment provides $50,000 GF each year for the ETSI Health Clinic.)

Item 282 #5s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$0	$3,075,000	NGF

Language:

Page 323, line 52, strike "$33,179,983" and insert "$36,254,983".
Page 327, line 23, after "fund" insert "and $3,075,000".
Page 327, line 23, after "year" insert "from the nongeneral fund".
Page 327, line 24, after "Database." insert:
"Funding shall be limited to only Medicaid eligible costs."

Explanation:

(This amendment provides $3.1 million NGF the second year by allowing $1.0 million of existing appropriations for Virginia’s All Payer Claims Database to draw down federal matching dollars for Medicaid. Additional dollars generated will cover increased vendor costs and additional analytic support for state agency and private users and shall be limited to only Medicaid eligible costs.)

Item 282 #6s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$50,000	$50,000	GF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$33,229,983".
Page 323, line 53, strike "$33,179,983" and insert "$33,229,983".
Page 326, line 24, strike the first "$5,180,571" and insert "$5,230,571".
Page 326, line 24, strike the second "$5,180,571" and insert "$5,230,571".
Page 326, line 51, strike "$205,000" and insert "$255,000".
Page 326, line 52, strike "$205,000" and insert "$255,000".

Explanation:

(This amendment adds $50,000 GF each year for the Virginia Health Care Foundation to contract with the Rx Partnership to improve access to medications for low income Virginians. Funding will help efforts to minimize the loss of access to key brand medications and cover the increasing cost of generic medications.)

Item 282 #7s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$5,000,000	$0	GF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$38,179,983".
Page 325, line 22, strike "$500,000" and insert "$5,500,000".

Explanation:

(This amendment provides an additional $5.0 million GF the first year for Virginia Federally Qualified Health Clinics to continue providing comprehensive medical, dental, maternal, and mental health services for the most vulnerable and uninsured Virginians, primarily in rural and urban settings.)

Item 282 #8s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$326,700	$326,700	NGF

Language:

Page 323, line 53, strike "$33,179,983" and insert "$33,506,683".
Page 323, line 53, strike "$33,179,983" and insert "$33,506,683".
Page 328, line 31, after "general fund" insert "and $326,700 the first year and $326,700 the second year from the nongeneral fund"
Page 328, line 37, after "telehealth." insert "The Department of Medical Assistance Services is authorized to draw down federal matching funds for this appropriation."

Explanation:

(This amendment provides $326,700 NGF each year for the Virginia Center for Health Innovation to facilitate and run the Virginia Task Force on Primary Care. Currently, the Department of Health (VDH) receives $816,750 GF each year to contract with the Virginia Center for Health Innovation, which qualifies for federal matching funds currently not being drawn down. This amendment would grant the Department of Medical Assistance Services the authority to modify the existing interagency agreement with VDH to match eligible funds from current appropriations for the Task Force on Primary Care.)

Item 283 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health	$50,000,000	$0	GF

Language:

Page 329, line 9, strike "$89,697,000" and insert "$139,697,000".
Page 329, after line 41, insert:
"G.1. The unexpended balance remaining at the close of business on June 30, 2026, in the appropriation made in Item 280 I., Chapter 725, 2025 Acts of Assembly, shall not revert to the general fund but shall be carried forward and reappropriated for this purpose consistent with the funding offers made by December 1, 2025.
2. Out of this appropriation, $50,000,000 the first year from the general fund shall be provided for the Virginia Department of Health to provide one-time grants to localities to upgrade or replace existing drinking water infrastructure. The Department shall use existing guidelines established pursuant to Item 280 I., Chapter 725, 2025 Acts of Assembly. The Department may consider previous applications submitted pursuant to Item 280 I., Chapter 725, 2025 Acts of Assembly, as well as new applications.
3. To receive a grant, localities must provide proof of at least a 25 percent match for the cost of a project. No grant to a locality shall fully fund a drinking water project.
4. The Department shall 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 the grants will be used no later than December 1, 2026.
5. After allocating funds for H.1., priority consideration shall be given to the Town of Orange, Town of Jarratt, and Town of Blackstone. Priority consideration shall also be given to Fairfax County for the purposes of providing assistance for local governments and well owners to connect to the public surface water systems when reasonably available.
6. The Department may use up to $500,000 of the funds in paragraph G.2. for administration costs of providing drinking water infrastructure grants to localities.
7. Any unexpended balances in paragraph G.2. at the close of business on June 30, 2027, shall not revert to the general fund but shall be carried forward and reappropriated for this purpose.
H.1. Out of the amounts in G.2., the Department shall allocate no less than $20,000,000 to the City of Richmond which shall be designated for the purposes of capital improvements and repairs to the City of Richmond's Water Treatment Plant as set forth in the Virginia Department of Health's Comprehensive Waterworks Evaluation and Cost Estimate report dated April 8, 2025, and pursuant to recommendations of the Richmond Regional Water Workgroup established in this Item. Funding for the capital improvements and repairs is contingent upon the execution of a memorandum of understanding among the City of Richmond and the Virginia Department of Health. The memorandum of understanding and any associated grant agreement must be executed by August 31, 2026, and such agreement shall include the process and conditions related to the disbursement of funds from the Virginia Department of Health to the City of Richmond. The agreement shall also include provisions pertaining to the maintenance of effort by the City related to capital improvements and repairs to and the operations and maintenance of its water treatment plant. These funds may not be used to supplant other local, state, or federal funds dedicated for capital improvements and repairs to and operations and maintenance of the City of Richmond's Water Treatment Plant.

2. The Richmond Regional Water Workgroup shall be established and shall include at a minimum: The chief administrative officer and director of public utilities of the City of Richmond or a designee; the chief administrative officer and director of public utilities of the County of Chesterfield or designees; the chief administrative officer and director of public utilities of the County of Hanover or designees; and the chief administrative officer and director of public utilities of the County of Henrico or designees.
3. The Richmond Regional Water Workgroup shall: (i) review and make recommendations concerning the program for maintenance of and capital improvements and repairs to the City of Richmond's Water Treatment Plant to ensure its reliability as a supplier of drinking water; (ii) review and make recommendations concerning the staffing, operations, and long term sustainability of the City of Richmond's Water Treatment Plant to ensure its reliability as a supplier of drinking water; (iii) review compliance by the City of Richmond with its contractual agreements with the counties of Chesterfield, Hanover, and Henrico for the provision of drinking water to those localities; and (iv) prepare, publish, and deliver a report of its findings, recommendations, and use of funding in this Item to the Governor, the Chair of the Senate Finance and Appropriations Committee and the Chair of the House Appropriations Committee, and the chief elected officers of the City of Richmond, and the counties of Chesterfield, Hanover, and Henrico each year by November 1. The Workgroup shall continue to monitor compliance with the grant agreement until all funds provided in this Item have been disbursed and the projects for which the funds were provided have been completed."

Explanation:

(This amendment provides language ensuring the carry forward of $25.0 million GF from Item 280 I., Chapter 725, 2025 Acts of Assembly, appropriated for the Virginia Department of Health to provide one-time grants to localities to upgrade or replace existing drinking water infrastructure. Language also requires funding distribution levels to remain consistent with original offers made, which included $6.2 million GF to the Town of Bowling Green, $12.0 million GF to Greene County, and $6.8 million GF to Fauquier County. This amendment also creates a new grant of $50.0 million GF, subject to similar criteria as defined in the previous grant from Item 280 I., Chapter 725, 2025 Acts of Assembly and will allocate no less than $20.0 million GF to the City of Richmond, and with the remaining funds, give priority consideration to the Town of Orange, Town of Jarratt, and Town of Blackstone. Priority consideration will also be given to Fairfax County for the purposes of providing assistance for local governments and well owners to connect to the public surface water systems when reasonably available. This amendment also establishes the Richmond Regional Water Workgroup to oversee drinking water grants in the City of Richmond.)

Item 286 #1s

Health and Human Resources	FY26-27	FY27-28

Department of Health	$14,937,705	$16,908,844	GF
	$578,702	$578,702	NGF
	14.00	14.00	FTE

Language:

Page 330, line 17, strike "$47,665,967" and insert "$63,182,374".
Page 330, line 17, strike "$46,232,620" and insert "$63,720,166".

Explanation:

(This amendment adds $14.9 million GF the first year and $16.9 million GF the second year and $578,702 NGF each year and 14 positions to provide core public health services administered by the Virginia Department of Health. Funding shall be used for disease surveillance, tracking, and monitoring systems; community health services support; epidemiology and informatics; ongoing maintenance and operational support for core health technology systems; environmental health services; medical facility complaint investigations; and modernizing legacy data infrastructure to the cloud to meet state and federal regulatory requirements. Funding will support eight additional staff for community health services and six additional medical facility complaint investigators.)

Item 288 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Health Professions	$154,900	$154,900	NGF
	1.00	1.00	FTE

Language:

Page 332, line 8, strike "$53,010,551" and insert "$53,165,451".
Page 332, line 8, strike "$53,033,321" and insert "$53,188,221".
Page 333, after line 10, insert:
"E. Out of this appropriation, $154,900 the first year and $154,900 the second year from the nongeneral fund shall be used to implement Board of Medicine unconscious bias and cultural competency training."

Explanation:

(This amendment provides $254,900 NGF each year pursuant to unconcious bias legislation which provides that any dental assistant or dental assistant II with a minimum amount of clinical experience may obtain certification to provide additional treatment provided they meet certain educational and certification requirements and directs the Boards of Medicine and Nursing to require all practitioners licensed by the Boards to complete continuing education related to bias reduction in health care as a condition for license renewal.)

Item 288 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Health Professions	($153,850)	($176,620)	NGF
	-1.00	-1.00	FTE

Language:

Page 332, line 8, strike "$53,010,551" and insert "$52,856,701".
Page 332, line 8, strike "$53,033,321" and insert "$52,856,701".
Page 332, strike lines 48 through 51.
Page 333, strike lines 1 through 10.

Explanation:

(This amendment removes $153,850 NGF the first year and $176,620 NGF the second year and 1.0 position each year and establishing language for the "Virginia Center for the Nursing Workforce" within the Department of Health Professions. The Virginia Nursing Workforce Center was created by the Virginia Health Workforce Development Authority in 2025 and serves this purpose.)

Item 288 #3s

Health and Human Resources

Department of Health Professions — Language

Language:

Page 333, after line 10, insert:
"E. The workgroup established pursuant to Chapter 590 of the 2025 Acts of Assembly shall be continued. The workgroup shall report its findings to the Chairs of the House Committee on Health and Human Services and the Senate Committee on Education and Health by November 1, 2026."

Explanation:

(This amendment adds language continuing the workgroup established in Chapter 590 of the 2025 Acts of Assembly and extends the reporting requirement to November 1, 2026. The workgroup requires the Boards of Psychology and Medicine to jointly convene a workgroup to include two representatives of the Board of Psychology who are licensed clinical psychologists, two representatives of the Board of Medicine who are physicians, one representative of the Board of Pharmacy, two licensed clinical psychologists who are faculty at accredited institutions of higher education in the Commonwealth, two representatives from departments of psychiatry at schools of medicine located in the Commonwealth, a representative of the Virginia Academy of Clinical Psychologists, a representative of the Psychiatric Society of Virginia, and other stakeholders as deemed necessary to study the education, training, and qualifications of clinical psychologists licensed in the Commonwealth, including the level of education and training clinical psychologists receive in the area of pharmacology, and assess under what conditions it may be appropriate for clinical psychologists to be granted prescriptive authority. The workgroup will report its findings to the Chairs of the House Committee on Health and Human Services and the Senate Committee on Education and Health by November 1, 2026.)

Item 288 #4s

Health and Human Resources

Department of Health Professions — Language

Language:

Page 333, after line 10, insert:
"E. The Department of Health Professions shall convene a stakeholder workgroup to review the structure and purpose of the Committee of the Joint Boards of Nursing and Medicine. The workgroup shall consider pathways to modernize the Joint Boards structure and governance of advanced practice registered nurses. The workgroup shall consist of representatives from the Virginia Council of Nurse Practitioners, Virginia Nurses Association, Virginia Association of Nurse Anesthetists, Medical Society of Virginia, and other stakeholders deemed appropriate by the Department. The workgroup shall report its findings to the Governor and General Assembly by November 1, 2026."

Explanation:

(This amendment is a language only amendment directing the Department of Health Professions to convene a stakeholder workgroup to review the structure and purpose of the Committee of the Joint Boards of Nursing and Medicine. The workgroup will report its findings to the Governor and General Assembly by November 1, 2026.)

Item 288 #5s

Health and Human Resources

Department of Health Professions — Language

Language:

Page 333, after line 10, insert:
"E. The Board of Pharmacy shall increase its membership by adding one registered pharmacy technician, effective July 1, 2026."

Explanation:

(This amendment increases the Board of Pharmacy membership by adding one registered pharmacy technician.)

Item 288 #6s

Health and Human Resources	FY26-27	FY27-28	
Department of Health Professions	$100,000	$100,000	NGF
	1.00	1.00	FTE

Language:

Page 332, line 8, strike "$53,010,551" and insert "$53,110,551".
Page 332, line 8, strike "$53,033,321" and insert "$53,133,321".

Explanation:

(This amendment provides $100,000 NGF and 1.0 position each year pursuant to legislation which provides that any dental assistant or dental assistant II with a minimum amount of clinical experience may obtain certification to provide additional treatment provided they meet certain educational and certification requirements.)

Item 290 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance	$13,209,963	$16,276,704	GF
Services	$21,432,904	$26,161,845	NGF

Language:

Page 333, line 36, strike "$469,647,232" and insert "$504,290,099".
Page 333, line 36, strike "$493,185,700" and insert "$535,624,249".
Page 334, strike lines 36 through 44, and insert:
"H. The Department of Medical Assistance Services shall amend the Virginia Family Access to Medical Insurance Security (FAMIS) State Plan to allow for the payment of prenatal, labor and delivery, and postpartum care pursuant to provisions in Title XXI of the federal 2009 CHIP Reauthorization Act that includes care of all children who upon birth will be U.S. citizens, U.S. nationals, or qualified aliens. The Department shall have the authority to implement this change effective July 1, 2021, or consistent with the effective date in the State Plan Amendment approved by the Centers for Medicare and Medicaid Services (CMS), and prior to completion of any regulatory process."

Explanation:

(This amendment provides $13.2 million GF and $21.4 million NGF the first year and $16.3 million GF and $26.2 million NGF the second year to restore the FAMIS Prenatal Coverage Program that was proposed to be eliminated in the introduced budget.)

Item 291 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	$0	$44,269,979	GF
	$0	$49,589,719	NGF

Language:

Page 334, line 48, strike "$30,476,743,886" and insert "$30,570,603,584".
Page 370, after line 8, insert:
"QQQQQ. Effective January 1, 2028, the Department of Medical Assistance Services shall increase the rates for agency and consumer-directed personal care, respite and companion services in the home and community based services waivers and Early Periodic Screening, and Diagnosis and Treatment (EPSDT) program by 8.1 percent. The department shall have the authority to implement these changes prior to completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment provides $44.3 million GF and $49.6 million NGF the second year to provide an 8.1 percent rate increase for consumer and agency-directed personal care services on January 1, 2028, to reflect the impact from the increase in the state minimum wage.)

Item 291 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	$10,621,679	$11,835,816	GF
	$10,621,679	$11,835,816	NGF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,955,595,947".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,500,415,518".
Page 369, strike lines 4 through 16, and insert:
"JJJJJ.1. Out of this appropriation, $38,646,266 the first year and $43,063,826 the second year from the general fund and $43,137,525 the first year and $46,860,081 the second year from nongeneral funds is provided to increase Medicaid state plan or waiver rates as set forth in the following paragraphs.
2. Effective July 1, 2026, the Department of Medical Assistance Services shall have the authority to update the rates for Developmental Disability waiver services using the 2025 DD Waiver Rate Study conducted pursuant to the Permanent Injunction (Civil Action No. 3:12CV59-JAG). Rates shall be increased according to the methodology included in the rate study for the following services: Community Coaching (T2013), Community Engagement

(T2021), Independent Living Supports (T2032), In-Home Support Services (H2014), Therapeutic Consultation (97139 and 97530), and Workplace Assistance (H2025). The department shall have the authority to implement these changes prior to the completion of any regulatory process to effect such change.
3. Effective July 1, 2026, the Department of Medical Assistance Services shall have the authority to increase the rates by two percent for the following services: Group Day Support (97150), Group Day Support Customized Rate (T2025), Community Guide (H2015), Peer Monitoring (H0038), Supported Employment Individual (H2023), Supported Employment Enclave (H2024), Group Home Residential 4 or fewer (H2022-UA), Group Home Residential 5 or more (H2022), Group Home Customized Rate (T2016), Sponsored Residential (T2033), Supported Living Residential (H0043), Shared Living (T1020), and Benefits Planning (T1023). The department shall have the authority to implement these changes prior to the completion of any regulatory process to effect such change.
4. Effective July 1, 2026, the Department of Medical Assistance Services shall have the authority to increase the rates for the following services: 3.8 percent for Skilled Nursing RN (S9123), 4.5 percent for Skilled Nursing, LPN (S9124), 5.0 percent for Private Duty Nursing, RN (T1002), and 5.0 percent for Private Duty Nursing, LPN (T1003). The department shall have the authority to implement these changes prior to the completion of any regulatory process to effect such change."

Explanation:

(This amendment provides $10.7 million GF and $10.7 million NGF the first year and $11.8 million GF and $11.8 million NGF the second year for the Department of Medical Assistance Services to increase the rates for Developmental Disability waiver services. This amendment adds additional services that were not included in the introduced budget.)

Item 291 #3s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Medical Assistance Services	$648,103 $989,244	$649,273 $988,074	GF NGF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,935,989,936".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,478,381,233".
Page 370, after line 8, insert:
"QQQQQ. Effective July 1, 2026, the Department of Medical Assistance Services (DMAS) shall increase the vagus nerve stimulator device payment for all acute care hospitals and ambulatory surgery centers (ASC) which participate in Medicaid. DMAS shall modify the HCPCS code for providers to use when billing neurostimulator device components for epilepsy diagnoses only utilizing the procedure code, L8679 with the procedure description “IMP NEUROSTI PLS GN ANY TYPE”, shall be increased by $15,396 per procedure payment for

epilepsy diagnosis only. DMAS shall have the authority to implement these changes prior to completion of any regulatory process undertaken to effect such change."

Explanation:

(This amendment provides $648,103 GF and $989,244 NGF the first year and $649,273 GF and $988,074 NGF the second year for the Commonwealth to meet the needs of Medicaid beneficiaries suffering from drug-resistant epilepsy.)

Item 291 #4s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	$2,700,000	$2,700,000	GF
	$2,700,000	$2,700,000	NGF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,939,752,589".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,482,143,886".
Page 353, line 28, after "appropriation,", strike "$5,850,000", and insert "$8,550,000".
Page 353, line 28, after "first year and", strike "$5,850,000", and insert "$8,550,000".
Page 353, line 29, after "general fund and", strike "$5,850,000", and insert "$8,550,000".
Page 353, line 29, after "first year and", strike "$5,850,000", and insert "$8,550,000".
Page 353, line 48, strike "$100,000", and insert "$165,000".
Page 353, strike line 57.
Page 354, strikes lines 1 through 7.

Explanation:

(This amendment provides $2.7 million GF and $2.7 million NGF each year to fund graduate medical education for 40 residents who began their residencies in July 2024, 55 residents who began their residencies in July 2025, and 35 residents who begin their residencies in July 2026, and 30 residents who begin their residencies in July 2027.)

Item 291 #5s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	$250,000	$250,000	GF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,934,602,589".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,476,993,886".
Page 370, after line 8, insert:

"QQQQQ. Out of this appropriation, $250,000 the first year and $250,000 the second year from the general fund is provided to the Department of Medical Assistance Services (DMAS) to expand Medicaid/FAMIS outreach and enrollment services provided under its contract with the Virginia Health Care Foundation (VHCF). These amounts are in addition to the current outreach and enrollment funding allocated to VHCF by DMAS and shall be used to grow VHCF's outreach and enrollment capacity and reach. Effective July 1, 2026, DMAS shall continue to contract with VHCF to provide Medicaid/FAMIS outreach and enrollment services on an ongoing basis. Where allowable, DMAS shall fund the program with Children's Health Insurance Program Administrative funds and access the applicable federal match. Any unexpended balances for the purposes specified in this paragraph which are unexpended on June 30, 2027, shall not revert to the general fund but shall be carried forward and reappropriated in fiscal year 2028."

Explanation:

(This amendment provides $250,000 GF each year and language to expand the Virginia Health Care Foundation's (VHCF) Project Connect, which conducts outreach and enrollment services for the Medicaid programs.)

Item 291 #6s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	$3,496,496 $3,940,205	$3,490,689 $3,871,012	GF NGF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,941,789,290".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,484,105,587".
Page 370, after line 8, insert:
"QQQQQ.1. Effective July 1, 2026, the Department of Medical Assistance Services shall seek any necessary waivers and/or State Plan for Medical Assistance amendments under Titles XIX and XXI of the Social Security Act to provide coverage for sickle cell treatments for Medicaid enrollees through the Cell and Gene Therapy Access Model in partnership with the federal Centers for Medicare and Medicaid. The department shall have the authority to implement these changes upon federal approval and prior to completion of any regulatory process undertaken in order to effect such change.
2. The Department of Medical Assistance Services shall have the authority to separate the cost of a sickle cell disease drug from the cost to administer the drug for the purposes of participating in the Cell and Gene Therapy Access Model."

Explanation:

(This amendment adds funding and language to provide Medicaid, Medicaid Children's Health Insurance Program (M-CHIP) and Family Access to Medical Insurance Security (FAMIS) coverage for sickle cell treatments through a specific model of care in partnership with the federal Centers for Medicare and Medicaid (CMS). In 2025, CMS announced that 33 states, along with the District of Columbia and Puerto Rico, will be participating in the Cell and Gene Therapy (CGT) Access Model, including Virginia. The initial focus of the model is on access to gene therapy treatments for people living with sickle cell disease, a genetic blood disorder. The Cell and Gene Therapy (CGT) Access Model aims to improve the lives of people living with rare and severe diseases by increasing access to potentially transformative treatments. It is a multi-year, voluntary model for states and manufacturers to test whether a CMS-led approach to developing and administering outcomes-based agreements (OBAs) for cell and gene therapies increases access to innovative treatment, improves health outcomes, and reduces health care costs and burden to state Medicaid programs. Language also provides the agency with authority to unbundle the cost of the drugs from the cost of administer the drugs.)

Item 291 #8s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	($13,698,140)	($16,644,387)	GF
	($28,004,172)	($33,546,378)	NGF

Language:

Page 334, line 48, strike "$28,934,352,589" and insert "$28,892,650,277".
Page 334, line 48, strike "$30,476,743,886" and insert "$30,426,553,121".
Page 370, after line 8, insert:
"QQQQQ. In developing capitation rates for the Cardinal Care Managed Care program, the department shall limit the assumed underwriting gain (margin for risk and cost of capital) to one percent of Medicaid adjusted premium revenue on average across all covered populations and rating cells. The department shall ensure that capitation rates are developed in a manner that is actuarially sound while reflecting this one percent underwriting gain assumption. The department shall not incorporate an assumed underwriting gain in excess of one percent in the actuarial rate certification for any contract period unless otherwise expressly authorized by the General Assembly."

Explanation:

(This amendment lowers the assumed underwriting gain from 1.25 percent to 1.0 percent of Medicaid adjusted premium revenue in the development of capitations rates for the Medicaid Cardinal Care Managed Care program. Changes to the profit caps for the program beginning in fiscal year 2026, increased costs to the Medicaid program due to an increase the underwriting gain from 1.0 to 1.25 percent, contrary to provisions in the Appropriations Act (Ch. 725, 2025 Session of the General Assembly). This amendment would reverse that action and maintain the profit caps in place prior to this change.)

Item 291 #9s

Health and Human Resources

Department of Medical Assistance Services Language

Language:

Page 365, strike lines 9 through 32, and insert:
"2. The Department of Medical Assistance Services (DMAS) shall evaluate pharmaceutical manufacturer programs and other contracting arrangements available to state Medicaid programs that are intended to reduce the costs of glucagon-like peptide-1 (GLP-1) receptor agonists and related therapies. The evaluation shall include: (i) a review of manufacturer-sponsored programs, any arrangements negotiated with the federal government on behalf of state Medicaid programs, and any other contractual arrangements offered to state Medicaid programs; and (ii) an assessment of the fiscal impact and feasibility associated with participation in such programs or arrangements. DMAS shall project cost savings for such programs or contracting arrangements and shall be authorized to implement the program or arrangement with the greatest projected savings to the Medicaid program which results in a price per unit of $245 or less to the Medicaid program and achieves the assumed savings included in the Item.

3. If DMAS determines that the BALANCE (Better Approaches to Lifestyle and Nutrition for Comprehensive hEalth) Model negotiated with the federal government has the greatest cost savings, then, effective upon such determination, pursuant to the authority granted in 42 USC 1396r-8 Payment for Covered Outpatient Drugs, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services and 12VAC30-50-520 to cover weight loss medications when prescribed for weight loss where: (i) an individual has a body mass index (BMI) greater than or equal to equal to 35; (ii) an individual has a BMI greater than or equal to 30 and has uncontrolled hypertension, diabetes, kidney disease, or heart failure; (iii) an individual has a BMI greater than or equal to 27 and has pre-diabetes or established cardiovascular disease or obstructive sleep apnea; or (iv) if it is a traditional weight loss medication prescribed for weight loss as FDA approved. The department shall have the authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act. The department shall have authority to implement this amendment upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change.

4. If DMAS determines that another contracting arrangement has the greatest cost savings, then, effective upon such determination, pursuant to the authority granted in 42 USC 1396r-8 Payment for Covered Outpatient Drugs, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services and 12VAC30-50-520 to cover weight loss medications in accordance with the specific provisions of such contracting arrangement.

The department shall have the authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act. The department shall have authority to implement this amendment upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change.

5. If DMAS determines that no pharmaceutical manufacturer program or other contracting arrangement available to state Medicaid programs for GLP-1 receptor agonist medications would result in a net price per unit of $245 or less to the Medicaid program and also achieve the assumed savings included in this Item, then pursuant to the authority granted in 42 USC 1396r-8 Payment for Covered Outpatient Drugs, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services and 12VAC30-50-520 to cover weight loss medications when prescribed for weight loss where: (i) in those instances where an individual has a body mass index (BMI) greater than 40; (ii) in those instances where an individual has a BMI greater than 37 and has at least one of the following weight-related comorbid conditions: hypertension, Type II Diabetes Mellitus, or Dyslipidemia; or (iii) if it is a traditional weight loss medication prescribed for weight loss as FDA approved, excluding Glucagon-like peptide-1 drugs and any other newer weight loss medications. The department shall have the authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this Act. The department shall have authority to implement this amendment upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change.

6. DMAS is authorized to make a change pursuant to this paragraph related to reimbursement policies for GLP-1 receptor agonists with 30 days prior notice to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, unless either Chair raises an objection within five days of being notified.

7. The Department of Medical Assistance Services is authorized to seek federal authority through the necessary waiver(s) and/or State Plan Amendment(s) under Titles XIX and XXI of the Social Security Act and make pharmacy benefit manager (PBM) contract changes, as needed, to enable the use of any rebate negotiated directly between the Commonwealth and a manufacturer of GLP-1 receptor agonist medications, if the negotiated net price (the gross price minus all applicable rebates) is lower than the net price obtained under the existing rebate agreement through the program's PBM."

Explanation:

(This amendment directs the Department of Medical Assistance Services (DMAS) to evaluate pharmaceutical manufacturer programs and other contracting arrangements available to state Medicaid programs that are intended to reduce the costs of glucagon-like peptide-1 (GLP-1) receptor agonists and related therapies. DMAS must project cost savings for such programs or contracting arrangements and is authorized to implement the program or arrangement with the greatest projected savings to the Medicaid program.)

Item 291 #10s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 370, after line 8, insert:
"QQQQQ. The Department of Medical Assistance Services shall amend existing contracts with Medicaid managed care organizations (MCOs) to require the MCOs to adopt performance metrics for Medicaid Non-Emergency Medical Transportation (NEMT) brokers consistent with performance metrics implemented for the fee-for-service NEMT program and require such MCOs to report annually, by no later than November 1, to the department regarding the performance of the NEMT brokers on such metrics."

Explanation:

(This amendment directs the Department of Medical Assistance Services to amend its existing contracts with Medicaid managed care organizations (MCOs) to require the MCOs to adopt performance metrics for Medicaid Non-Emergency Medical Transportation (NEMT) brokers consistent with performance metrics implemented for the fee-for-service NEMT program and require the MCOs to report annually to the Department regarding the performance of the NEMT brokers on such metrics.)

Item 291 #11s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 352, line 20, strike "2024", insert "2025."
Page 352, line 22, after "or", strike "$16,000,000", insert "the DSH formula effective in fiscal year 2026".
Page 352, line 22, after "annually", strike the remainder of the line.
Page 352, line 23, strike "prior to Medicaid expansion without regard to the uncompensated care cost limit".
Page 352, line 25, after "hospitals.", strike the remainder of the line.
Page 352, strike line 26.
Page 352, line 27, strike "in this paragraph accordingly.".

Explanation:

(This amendment stabilizes Children's Hospital of The King's Daughters' (CHKD) supplemental payment funding to prevent funding fluctuations. This supplemental payment is in lieu of Disproportionate Share Hospital (DSH) Payments for which CHKD is no longer eligible after 2017 Federal changes to the DSH limit. However, the payments remain tied to the State Plan formula for CHKD's DSH, calculated as eligible days multiplied by three times the Type Two DSH per diem. Funding has been volatile due to unintended consequences of Medicaid expansion, rebasing, and anticipated changes under the federal reconciliation passed in 2025. This amendment would establish a funding floor at the FY 2026 level of state support, ensuring stability with no general fund impact.)

Item 291 #12s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page, 370, after line 8, insert:
"QQQQQ. The Department of Medical Assistance Services shall update its reimbursement methodology for rehabilitation hospitals to provide more equitable reimbursement rates for each hospital relative to its total cost of services provided to Medicaid recipients. Any such change shall be budget neutral."

Explanation:

(This amendment directs the Department of Medical Assistance Services to update its reimbursement methodology for rehabilitation hospitals to provide more equitable reimbursement rates for each hospital relative to its total cost of services provided to Medicaid recipients.)

Item 291 #13s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 351, after line 32, insert:
"13. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance to make supplemental payments through an adjustment to the formula for indirect medical education (IME) reimbursement, using managed care discharge days, for an acute care hospital chain with a level two trauma center in the Peninsula EMS region in 2023, upon the execution of affiliation agreements with public entities that are capable of transferring funds to the department for purposes of covering the non-federal share of the

authorized payments. The level of these additional IME supplemental payments may be up to the amounts supported by the formula applicable to Type One hospitals. Such public entities shall enter into an Interagency Agreement with the department for this purpose. Public entities are authorized to use general fund dollars to accomplish this transfer. The funds to be transferred must comply with 42 CFR 433.51 and 433.54. As part of the Interagency Agreements, the department shall require the public entities to attest to compliance with applicable CMS criteria. The department shall also require any private hospital and related health systems receiving payments under this Item to attest to compliance with applicable CMS criteria. The department shall have the authority to implement these changes prior to completion of any regulatory process undertaken in order to effect such change."
Page 351, line 33, strike "13", insert "14".

Explanation:

(This amendment authorizes the Department of Medical Assistance Services (DMAS) to implement enhanced Medicaid indirect medical education (IME) payments for Riverside Regional Medical Center, reflecting the size and strategic importance of their medical intern and resident teaching program to the region as a level two trauma center in the Peninsula EMS Region. This amendment does not require any general fund dollars as the non-federal share of enhanced IME payments must be covered by a public entity capable of transferring funds to DMAS for the purposes of covering the non-federal share of the authorized payments.)

Item 291 #14s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 370, after line 8, insert:
"QQQQQ.1. Notwithstanding regulations established at 12VAC30-90-44, the Department of Medical Assistance Services shall submit any required state plan or waiver amendments to delay the next scheduled nursing facility price rebasing, which would have changed rates as of July 1, 2027, with the next rebasing cycle for rates to be effective July 1, 2028. Beginning upon enactment of this Act through the period of the delay, the department shall work with stakeholders, to include the Virginia Health Care Association and any others as deemed relevant by the department, to identify and examine methodological concerns with the current nursing facility reimbursement system and, to the extent necessary, propose modifications to address any concerns identified for which solutions can be found. Additionally, the group shall review and recommend quality improvement initiatives to be incentivized within the payment rate as appropriate. This process is not intended to increase nursing facility reimbursement in the aggregate, but rather to correct methodological concerns within aggregate reimbursement levels already established as adjusted annually for utilization and inflation while also promoting improved quality. Nothing herein shall preclude separate budget action affecting aggregate

reimbursement levels.
2. The department shall report annually each December 1, beginning December 1, 2026, through the delay period, on the identified methodological issues and progress toward solutions. This report shall include an assessment from the department and stakeholders, including dissenting opinions of any stakeholder group, if necessary, on the practicality of any proposed solutions and feasibility and potential timeline for implementing such solutions. The annual report is intended to inform the Governor and the General Assembly of the need to continue the delay, or when implementation of the rebasing could take place as defined in regulations albeit with any approved modifications in place. This report shall be provided to the Governor, the Chairs of the Senate Finance and Appropriations and Education and Health Committees, and the Chairs of the House Appropriations and Health and Human Services Committees.
3. This item does not authorize any changes to the reimbursement system as currently defined; subsequent authority must be granted to implement any specific recommended modifications."

Explanation:

(This amendment modifies the current nursing facility rebasing methodology to delay the next scheduled rebasing by one year and directs the Department of Medical Assistance Services to work with stakeholders to identify and examine any methodological concerns and to propose modifications as appropriate.)

Item 291 #15s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 356, line 29, strike "January" and insert "July".

Explanation:

(This amendment delays the implementation of new Medicaid redesigned behavioral health services by six additional months from January 1, 2027, to July 1, 2027.)

Item 291 #16s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 358, line 32, after "BBB.", insert "1.".
Page 358, after line 45, insert:
"2. It is the intent of the General Assembly that the Department of Medical Assistance Services

continue reimbursing the 15 percent reimbursement rate add on authorized in Item 306, Paragraph CCC.7. of the 2016 Appropriation Act (Chapter 780, 2016 Acts of Assembly) and the additional 10.4 percent reimbursement rate add on authorized in Item 313, Paragraph KKKK. of the 2020 Appropriation Act (Chapter 56, 2020 Special Session I, Acts of Assembly). The department shall promulgate emergency regulations to properly reflect these reimbursement polices within 280 days or less from the enactment of this act."

Explanation:

(This amendment clarifies the intent of the General Assembly that the Department of Medical Assistance Services recognize prior year increases authorized in the 2016 and 2020 Appropriation Acts that impact the Virginia Home, a unique nursing facility serving a resident population of individuals with quadriplegia, traumatic brain injury, multiple sclerosis, paraplegia, or cerebral palsy.)

Item 291 #17s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 368, line 30, after "authority for a" strike "demonstration".
Page 368, line 31, after "disorders", strike "by".
Page 368, line 32, strike "January 1, 2026".

Explanation:

(This amendment strikes language requiring the Department of Medical Assistance Services to seek the appropriate waiver authority for a demonstration project to add neurobehavioral and neurorehabilitation facilities to support 20 individuals with traumatic brain injuries and neurocognitive disorders by January 1, 2026. The department has been in negotiations with the federal Centers for Medicare and Medicaid and will now have to modify the type of waiver it seeks to provide Medicaid coverage for these services. Language strikes the type of waiver, providing more flexibility to the department as it continues discussions with CMS on the waiver and eliminates the date of January 1, 2026, by which the department was required to seek the demonstration waiver.)

Item 291 #18s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 351, after line 5, insert:
"11.a. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to make supplemental indirect medical education payments for managed care services for private teaching hospitals that have executed affiliation agreements with public entities that are capable of transferring funds to the Department for purposes of covering the non-federal share of the authorized payments. Such public entities would enter into an Interagency Agreement with the department for this purpose. Public entities are authorized to use general fund dollars to accomplish this transfer. The funds to be transferred must comply with 42 CFR 433.51 and 433.54. As part of the Interagency Agreements, the department shall require the public entities to attest to compliance with applicable CMS criteria. The department shall also require any private hospital and related health systems receiving payments under this Item to attest to compliance with applicable CMS criteria. The department shall have the authority to implement these changes prior to completion of any regulatory process undertaken in order to effect such change.
b. The supplemental indirect medical education payments for managed care services shall be based on the Medicare formula using total residents reported to the Department annually by the hospital prior to the beginning of the fiscal year for the resident to bed ratio applied to managed care hospital payments reported to the Department through the encounter system adjusted to cost minus IME payments for managed care services currently authorized. The Department shall calculate these supplemental indirect medical education payments prior to the beginning of the fiscal year based on the most recently available data and these payments shall be final."
Page 351, line 6, strike "11" and insert "12".
Page 351, line 21, strike "12" and insert "13".
Page 351, line 33, strike "13" and insert "14".

Explanation:

(This amendment adds language to allow private hospitals with smaller teaching training operations, to qualify for increased indirect medical education (IME) funding. Qualifying hospitals will have public partners capable of providing the non-federal share of the enhanced funding.)

Item 291 #19s

Health and Human Resources

Department of Medical Assistance Services	Language

Language:

Page 367, line 56, after "for", insert "all".

Explanation:

(This amendment clarifies that all FDA approved long-acting injectables or extended-release medications administered for a serious mental illness or substance use disorder in any hospital emergency department or hospital inpatient setting shall be unbundled from the hospital daily rate.)

Item 291 #20s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 370, after line 8, insert:
"QQQQQ. The Pharmacy and Therapeutics Committee, when recommending drugs to the Department of Medical Assistance Services, shall ensure that no nonopioid drug approved by the Federal Drug Administration (FDA) for the treatment or management of pain shall be disadvantaged or discouraged for coverage relative to any opioid. This includes no prior authorization or step therapy more restrictive than an opioid drug for pain."

Explanation:

(This amendment directs the Pharmacy and Therapeutics Committee, when recommending drugs to the Department of Medical Assistance Services, to ensure that no nonopioid drug approved by the Federal Drug Administration (FDA) for the treatment or management of pain shall be disadvantaged or discouraged for coverage relative to any opioid. This includes no prior authorization or step therapy more restrictive than an opioid drug for pain.)

Item 291 #21s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 370, after line 8, insert:
"QQQQQ. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to exempt any opioid use disorder and substance use disorder treatment provider, who provides weekly group-based therapy for members at a Preferred Office-Based Addiction Treatment facility, from documenting justification for telehealth for care coordination services."

Explanation:

(This amendment directs the Department of Medical Assistance Services to amend the State

Plan for Medical Assistance Services to exempt any opioid use disorder and substance use disorder treatment provider, who provides weekly group-based therapy for members at a Preferred Office-Based Addiction Treatment facility, from documenting justification for telehealth for care coordination services.)

Item 291 #22s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 351, line 18, after "criteria.", insert:
"In addition to funds transferred from the public entity, the agency may utilize qualified charitable contributions as a source for the non-federal share."

Explanation:

(This amendment modifies the indirect medical education supplemental payment arrangement with teaching hospitals affiliated with Virginia Tech Carilion School of Medicine to allow qualified charitable contributions as a source for the non-federal share.)

Item 291 #23s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 370, after line 8, insert:

"QQQQQ.1. Each 340B covered entity that dispenses a 340B drug to a Medicaid enrollee shall report such information to the Department of Medical Assistance Services (DMAS), on a quarterly basis and in a format prescribed by DMAS, the following data for each 340B drug dispensed to a Medicaid enrollee during the reporting period: (i) the National Drug Code (NDC) of the drug dispensed; (ii) the date of dispense; (iii) the quantity dispensed; (iv) the 340B acquisition cost of the drug; (v) the amount billed to Medicaid or to a Medicaid managed care organization; (vi) the amount reimbursed by Medicaid or by a Medicaid managed care organization; (vii) whether the claim was submitted through an in-house pharmacy, a contract pharmacy, or a virtual inventory arrangement; and (viii) the identity of any contract pharmacy through which the drug was dispensed.

2. DMAS shall use data collected pursuant to this paragraph to: (i) identify claims for 340B drugs submitted to the Medicaid program that may give rise to a duplicate discount under 42 U.S.C. § 1396r-8(a)(5)(C); (ii) exclude 340B drug claims from Medicaid rebate invoices

submitted to manufacturers where required by federal law; and (iii) quantify the aggregate value of 340B discounts received by covered entities on drugs dispensed to Medicaid enrollees and report such findings to the Director, Department of Planning and Budget and the Chairs of the House Appropriations and the Senate Finance and Appropriations Committees by December 1 of each year.

3. DMAS shall incorporate the reporting requirements of this paragraph into provider enrollment agreements and Medicaid managed care organization contracts as a condition of participation. DMAS shall have the authority to pursue any federal waiver or state plan amendment necessary to implement this paragraph.

4. Data collected pursuant to this paragraph shall be confidential and used only for program integrity, rebate administration, and policy evaluation purposes."

Explanation:

(This amendment sets out 340B data reporting requirements of covered entities.)

Item 291 #24s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 355, after line 19, insert:
"7. The Virginia Health Workforce Development Authority shall create and manage a Graduate Medical Education (GME) technical assistance program to provide residency and fellowship programs with technical support, guidance on program development and accreditation, and opportunities for networking and collaboration. The program shall facilitate data analysis and forecasting on residency supply and demand, assist programs in securing funding, and partner with academic and clinical institutions to expand training opportunities, particularly in rural and underserved regions. The Authority shall also monitor program outcomes and issue an annual report with findings and recommendations to inform statewide GME planning and policy."

Explanation:

(This amendment authorizes the Virginia Health Workforce Development Authority to create a technical assistance program and offer support services to residency and fellowship programs as a function of the Graduate Medical Education (GME) program for primary care and high-need specialties targeting rural and underserved areas. The Authority will report annually on program outcomes.)

Item 291 #25s

Health and Human Resources

Department of Medical Assistance Services Language

Language:

Page 358, after line 4, insert:
"3. The Department of Medical Assistance Services (DMAS) shall convene an ABA benefit Utilization Workgroup for the purpose of examining Medicaid expenditures and utilization trends for this service and identifying strategies to control costs while still preserving access to care for those in need of the therapy. The workgroup shall: (i) identify utilization trends, including trends among those with different diagnosis acuity levels; (ii) examine different delivery methods of ABA services and their impact on utilization; (iii) review utilization and service authorization criteria including standard assessment tools and diagnostic criteria taking into account differing service intensity and duration requirements; (iv) evaluate utilization management tools that align with national clinic practice guidelines
promulgated by independent national nonprofit organizations; (v) define medical necessity criteria taking into account behavioral factors, ability to learn,
age and development, and skills development including clear criteria for eligibility, scope of services and documentation requirements; (vi) review provider qualification recommendations related to ABA practitioner certification and licensing; and current supervision requirements and standards to help ensure
appropriate clinical oversight; (vii) evaluate the appropriateness of ABA services for children with diagnoses other than ASD; and (viii) review the MCO annual reporting data to identify any areas of potential improvement to the delivery of services and any needed changes in regulations or policies from DMAS. The workgroup shall include stakeholders, including ABA service providers, including center-based models and home-based models, representatives from managed care
organizations serving Medicaid patients; Virginia licensed behavioral analysts and a child or adolescent psychiatrist. The workgroup meetings shall be open to the public and offer opportunities for public input."

Explanation:

(This amendment establishes a workgroup to evaluate utilization and best practices regarding for Medicaid Applied Behavioral Analysis services.)

Item 295 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Medical Assistance Services	$1,000,000	$0	GF
	$1,000,000	$0	NGF

Language:

Page 371, line 1, strike "$452,717,516" and insert "$454,717,516".
Page 379, after line 22, insert:
"RR. Out of this appropriation, $1,000,000 from the general fund and $1,000,000 from nongeneral funds the first year shall be provided to the Department of Medical Assistance Services (DMAS) to contract with a vendor to review and assess program integrity efforts at DMAS and its contracted managed care organizations (MCOs). This review and assessment shall include: (i) detection of fraud, waste and abuse including use of data analytics, auditing, and how suspected fraud is reported; (ii) how referrals are made to the Medicaid Fraud Control Unit and the follow-up on such investigations; (iii) enforcement capabilities; and (iv) how DMAS prevents fraud, waste and abuse through training, education, provider credentialing and enrollment, utilization management, and system edits. The vendor shall review the contractual requirements DMAS has with the MCOs and shall review the program integrity efforts of each MCO. The vendor shall also review and evaluate publicly posted Centers for Medicare & Medicaid Services' data relating to Medicaid program integrity efforts. The Director, Department of Planning and Budget shall unallot this appropriation until DMAS provides documentation of the contract's cost and shall only allot the amount contracted for with such vendor. DMAS shall report on the review and assessment along with any findings and recommendations to improve program integrity efforts to the Governor, and the Chairs of the House Appropriations and Senate Finance Committees by December 1, 2026. If the vendor has not completed its review by this date, DMAS shall provide an interim report and within 30 days of the vendor completing its work, DMAS shall submit a final report."

Explanation:

(This amendment provides $1.0 million GF and $1.0 million NGF the first year for the Department of Medical Assistance to contract with a vendor to review the department's program integrity efforts, including such efforts within contracted managed care organizations.)

Item 295 #2s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Medical Assistance Services	$2,174,667	($3,439,181)	GF
	$7,521,333	$1,873,662	NGF
	8.00	8.00	FTE

Language:

Page 371, line 1, strike "$452,717,516" and insert "$462,413,516".
Page 371, line 1, strike "$444,766,550" and insert "$443,201,031".
Page 379, after line 22, insert:
"RR. Notwithstanding § 32.1-325.5 of the Code of Virginia, the Department of Medical Assistance Services shall issue a request for proposals (RFP) for a single third-party administrator to serve as the state pharmacy benefits manager (PBM) to administer all pharmacy benefits for Medicaid recipients, including those enrolled in a managed care

organization with whom the Department contracts for the delivery of Medicaid services. The department shall review and incorporate provisions of PBM legislation considered during the 2026 Session of the General Assembly in developing the RFP, as appropriate, including provisions that ensure network adequacy for Medicaid patients and address transparency. The department shall award a contract to the single third party administrator by July 1, 2027."

Explanation:

(This amendment adds $2.2 million from the general fund and $7.5 million from federal matching funds the first year and 8 positions. It reduces $3.4 million from the general fund and adds $1.9 million from federal matching funds in the second year to reflect the initial costs and savings of implementing a single Medicaid Pharmacy Benefit Manager (PBM), pursuant to Chapter 701, 2025 Acts of Assembly. The Department of Medical Assistance Services (DMAS) was to have selected and contracted with a single Medicaid PBM by July 1, 2026, but the implementation was delayed due to the unknown costs and savings that would occur with its implementation and the absence of an appropriation to develop and award a contract for a third party administrator to serve as the PBM. Funding reflects an analysis from an independent study of the implementation of a single pharmacy benefits manager required by the 2025 legislation. This amendment adds language with requirements for the request for proposal, including a requirement that DMAS review and incorporate provisions of PBM legislation that were considered during the 2026 Session, as appropriate, particularly provisions ensuring network adequacy for Medicaid patients and addressing transparency.)

Item 295 #3s

Health and Human Resources	FY26-27	FY27-28	
Department of Medical Assistance Services	($2,614,200)	$0	GF
	($2,939,892)	$0	NGF

Language:

Page 371, line 1, strike "$452,717,516" and insert "$447,163,424".
Page 371, line 1, strike "$452,717,516" and insert "$447,163,424".

Explanation:

(This amendment redirects $2.6 million from the general fund and $2.9 million from the nongeneral funds the first year from administrative costs in the Department of Medical Assistance Services provided in the introduced budget.)

Item 295 #4s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 379, after line 22, insert:
"RR. The Department of Medical Assistance Services shall issue a Request for Proposals (RFP) for entities interested in a Program of All-Inclusive Care for the Elderly (PACE) program in the Augusta/Rockingham/Harrisonburg area and may make an award to an appropriate entity interested in administering a program in the area."

Explanation:

(This amendment directs the Department of Medical Assistance Services to expand to the Augusta/Rockingham/Harrisonburg area with a PACE program and to issue a Request for Proposals from entities interested in administering the program in the area. This region was previously opened up for PACE, although the awarded provider did not move forward with development.)

Item 295 #5s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 371, after line 46, insert:
"g. The forecast shall include the estimated costs for the required increase in personal, respite, and companion care services as a result of increases in the minimum wage pursuant to the Virginia Minimum Wage Act. The costs to be included in the forecast should reflect the percentage increase in the minimum wage, beginning after January 1, 2028, applied to these services for both consumer-directed and agency-directed services including the rates with a Northern Virginia differential."

Explanation:

(This amendment establishes the policy in the Medicaid forecast process regarding how to reflect the impact of minimum wage increases on the rates and associated costs for the resulting increases in personal, respite, and companion care services.)

Item 295 #6s

Health and Human Resources

Department of Medical Assistance Services | Language

Language:

Page 379, after line 22, insert:

"RR.1. The Director, Department of Medical Assistance Services shall convene a Medicaid Financial Sustainability Workgroup for the purpose of analyzing Medicaid expenditure trends and identifying strategies to moderate the rate of spending growth while preserving access to care, quality, and compliance with state and federal law and policy. The Workgroup shall examine historical and projected Medicaid spending growth, including key cost drivers such as enrollment, utilization, provider reimbursement, managed care expenditures, behavioral health spending, pharmacy spending, long-term services and supports, and administrative costs. The Workgroup shall evaluate opportunities for improved utilization management, program integrity, payment reform, service delivery redesign, and administrative efficiencies. The Workgroup shall include representatives from the Department of Medical Assistance Services, the Department of Planning and Budget, staff of the House Appropriations and Senate Finance and Appropriations Committees, the Virginia Hospital and Healthcare Association, the Virginia Health Care Association, the Medicaid Society of Virginia, the Virginia Association of Health Plans, at least one of the contracted Medicaid managed care organizations, and other provider representatives as deemed appropriate by the Director, Department of Medical Assistance Services.
2. The Department shall submit an interim report by November 1, 2026, and a final report by November 1, 2027, to the Governor and the Chairs of the Senate Finance and Appropriations and House Appropriations Committees. The reports shall include findings, options for cost containment, and budget and policy recommendations."

Explanation:

(This amendment directs the Department of Medical Assistance Services to convene a Medicaid Financial Sustainability Workgroup for the purpose of analyzing Medicaid expenditure trends and identifying strategies to moderate the rate of spending growth while preserving access to care, quality, and compliance with state and federal law and policy.)

Item 295 #7s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 379, after line 22, insert:
"RR. The Department of Medical Assistance Services (DMAS) shall seek federal authority through the necessary state plan or 1915(c) waiver amendments submitted to the Centers for Medicare and Medicaid Services under Titles XIX and XXI of the Social Security Act to modify the program rules for consumer-directed services available through certain 1915(c) Home and Community-Based Services Medicaid Waivers to allow an individual receiving services to serve as the employer of record (EOR) for his own service delivery and designate another individual to perform all or a portion of the duties of the EOR on the individual's behalf when the individual receiving services is unable to perform such duties or direct his own care.

In seeking federal authority to modify such rules, DMAS shall ensure that the employer identification number (EIN) shall be assigned to the individual receiving services and shall not be transferred to another individual except when an individual: (i) has not yet reached the age of majority; (ii) is ineligible to use his existing EIN to facilitate the taxation of benefits; or (iii) is otherwise determined to be ineligible by DMAS by administrative rule. DMAS shall have the authority to limit such state plan or 1915(c) waiver amendments to specify that an individual receiving services may make such designation no more than twice per calendar year."

Explanation:

(This amendment directs the Department of Medical Assistance Services (DMAS) to update Medicaid waiver rules to allow individuals receiving consumer-directed services to serve as their own employer of record (EOR) and to designate another person to perform EOR duties when they are unable. It also requires assignment of an employer identification number to the individual receiving services in specified circumstances and limits its transfer to other individuals to no more than twice per calendar year.)

Item 296 #1s

Health and Human Resources

Department of Medical Assistance Services — Language

Language:

Page 379, line 27, before "Out", insert "A.".
Page 379, after line 34, insert:
"A.1. The Department of Medical Assistance Services shall submit an annual report on the status of the Commonwealth's Rural Health Transformation Program. Such report shall include, at a minimum: (i) the total amount of federal funds received from the Centers for Medicare and Medicaid Services (CMS) for the Rural Health Transformation Program for each program year since program inception, including any carryforward balances if applicable; (ii) the total amount of funds appropriated or otherwise expended in support of the program for each program year; (iii) a detailed accounting of how all federal funds have been obligated and expended, including amounts distributed to participating hospitals, health systems, community partners, or other entities, and amounts retained for administrative or programmatic purposes; (iv) a description of each Rural Health Transformation initiative implemented; (v) performance metrics; and (vi) and policy recommendations to improve rural health access and quality. The Department shall submit the report by November 1, 2026, and annually thereafter, to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than October 1 of each year.
2. Upon any revision by CMS to the approved annual award amount of $189,544,888 for the Rural Health Transformation Program, whether upward or downward, DMAS shall, within 30 days, notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

Explanation:

(This amendment adds a reporting requirement for the Rural Health Transformation Program.)

Item 298 #1s

Health and Human Resources

Department of Behavioral Health and Developmental Services — Language

Language:

Page 381, after line 8, insert:
"D.1. Any funds appropriated in this act for the purpose of complying with the Permanent Injunction entered in United States v. Virginia, civil action no. 3:12-cv-00059-JAG (E.D. Va.), that remain unspent at the end of each fiscal year shall be reported by the Department of Behavioral Health and Developmental Services to the Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 1 after the close of each fiscal year. The department shall include in its report each item and the amount of funding for such item that remains unspent, with an explanation for the remaining balance at year end.
2. The Department of Behavioral Health and Developmental Services shall report on the status of compliance with the provisions of the Permanent Injunction entered in United States v. Virginia, civil action no. 3:12-cv-00059-JAG (E.D. Va.), and shall: (i) list each noncompliant provision; (ii) the status of meeting the provision; (iii) the department's planned actions to achieve compliance; and (iv) the date the department expects to achieve compliance with the provision. The department shall report such information to the Director, Department of Planning and Budget, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 1, each year."

Explanation:

(This amendment provides legislative oversight of Virginia's compliance with the Permanent Injunction entered in United States v. Virginia, civil action no. 3:12-cv-00059-JAG (E.D. Va.).)

Item 299 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Behavioral Health and Developmental Services	$2,500,000	$2,500,000	GF

Language:

Page 381, line 9, strike "$175,337,986" and insert "$177,837,986".

Page 381, line 9, strike "$175,087,986" and insert "$177,587,986".
Page 386, after line 40, insert:
"QQ. Out of this appropriation, $2,500,000 the first year and $2,5000,000 the second year from the general fund is provided to the Department of Behavioral Health and Developmental Services to support comprehensive psychiatric emergency programs or similar models of psychiatric care. Projects may include public-private partnerships, to include contracts with private entities. Notwithstanding any other provision of law, contracts entered into pursuant to this paragraph shall be exempt from competition as otherwise required by the Virginia Public Procurement Act §§ 2.2-4300."

Explanation:

(This amendment provides $2.5 million GF each year to the Department of Behavioral Health and Developmental Services (DBHDS) for comprehensive psychiatric emergency programs or similar models of psychiatric care. Projects may include public-private partnerships, to include contracts with private entities.)

Item 299 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Behavioral Health and Developmental Services	$150,000 1.00	$150,000 1.00	GF FTE

Language:

Page 381, line 9, strike "$175,337,986" and insert "$175,487,986".
Page 381, line 9, strike "$175,087,986" and insert "$175,237,986".
Page 386, after line 40, insert:
"QQ. Out of this appropriation, $150,000 the first year and $150,000 the second year from the general fund shall be used to support a Marcus Alert evaluation analyst on a full-time basis."

Explanation:

(This amendment provides $150,000 GF and 1.0 position each year for the Department of Behavioral Health and Developmental Services (DBHDS) to hire an analyst for purposes of evaluating the Marcus Alert system and staffing the proposed Marcus Alert Evaluation Task Force. DBHDS does not currently have the capacity to staff a Marcus Alert Evaluation Task Force or the available staff expertise to collect and analyze the data that will be needed by the task force to evaluate and make recommendations on the Marcus Alert system.)

Item 299 #3s

Health and Human Resources	FY26-27	FY27-28

Department of Behavioral Health and Developmental Services	$120,000 1.00	$455,000 2.00	GF FTE

Language:

Page 381, line 9, strike "$175,337,986" and insert "$175,457,986".
Page 381, line 9, strike "$175,087,986" and insert "$175,542,986".

Explanation:

(This amendment provides $120,000 GF and 1.0 position the first year and $455,000 GF and 2.0 positions the second year for the new responsibilities for the Department of Behavioral Health and Developmental Services regarding oversight of recovery residences, pursuant to legislation.)

Item 299 #4s

Health and Human Resources

Department of Behavioral Health and Developmental Services — Language

Language:

Page 386, line 39, after "in order to", strike the remainder of the line.
Page 386, strike line 40, and insert:
"support the development of a dedicated training center to increase the capacity to provide service dogs for individuals with disabilities."

Explanation:

(This amendment clarifies that the $250,000 GF the first year provided in the introduced budget for Service Dogs of Virginia will be used for the purposes of developing a new training facility in order to expand services.)

Item 299 #5s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Behavioral Health and Developmental Services	$750,000	$750,000	GF

Language:

Page 381, line 9, strike "$175,337,986" and insert "$176,087,986".
Page 381, line 9, strike "$175,087,986" and insert "$175,837,986".
Page 386, after line 40, insert:
"QQ. Out of this appropriation, $750,000 the first year and $750,000 the second year from the general fund shall be provided as one-time support for Bennett's Village to develop a regional

all abilities playground in Charlottesville."

Explanation:

(This amendment provides $750,000 GF each year in one-time support for Phase Two of Bennett's Village, a regional all-abilities playground in Charlottesville.)

Item 299 #11s

Health and Human Resources

Department of Behavioral Health and Developmental Services — Language

Language:

Page 386, after line 40, insert:
"QQ. The Department of Behavioral Health and Developmental Services (DBHDS) shall examine alternatives to the current 10 percent local match requirement created by § 37.2-509 and § 37.2-611 and report to the Behavioral Health Commission by November 1, 2026, with recommendations for: (i) a formula for calculating the required annual local match amount, which accounts for regional funds; the timing mismatch between state and local budgeting; the variation in localities' fiscal situations, and any other characteristics that may result in inequitable matching requirements among localities; (ii) a standardized formula for dividing contributions between localities within a multi-jurisdictional Community Services Board; (iii) enforcement mechanisms to be used by DBHDS or other state entities when the required match is not met by a locality; and (iv) an estimate of the budget impact of adopting the department's recommendations on the state and local governments. DBHDS shall report its recommendation to the Behavioral Health Commission by November 1, 2026."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to examine alternatives to the current 10.0 percent local match requirement on state Community Services Board funding and to report to the Behavioral Health Commission by November 1, 2026, with recommendations.)

Item 299 #12s

Health and Human Resources

Department of Behavioral Health and Developmental Services — Language

Language:

Page 386, after line 40, insert:
"QQ. The Department of Behavioral Health and Developmental Services (DBHDS) shall identify strategies to incentivize Community Services Boards (CSBs) to serve more individuals

subject to an Emergency Custody Order (ECO) or Temporary Detention Order (TDO) in Crisis Receiving Centers (CRCs) and Crisis Stabilization Units (CSUs) that currently exist or that are under development/consideration. In conducting its work, DBHDS shall consider what changes to training, staffing, infrastructure, operational protocols, and other capabilities may be necessary for crisis facilities to serve individuals under an ECO or TDO by modeling a “no-barrier” approach to crisis services. For purposes of this evaluation, “no-barrier” facilities should be able to support rapid law-enforcement drop-off; admit individuals regardless of voluntary or involuntary status; safely serve individuals with high-acuity symptoms, including those exhibiting aggressive behaviors; and provide medical clearance for most individuals. No-barrier facilities may include a Crisis Intervention Team Assessment Center as part of their operation but must be capable of admitting individuals under an ECO or TDO directly to their CRC or CSU. DBHDS shall also: (i) assess the extent to which existing CRCs and CSUs can be retrofitted or modified to safely adopt a no-barrier approach to crisis services; (ii) estimate the cost of retrofitting or upgrading existing facilities and compare to the estimated cost of building new facilities capable of supporting a no-barrier model; (iii) evaluate the need for additional personnel and/or enhanced staff training required to safely operate a no-barrier facility; (iv) estimate the cost of any required staffing increases or training enhancements; (v) estimate the number of ECOs and TDOs that could be appropriately served in CRCs and CSUs operating under a no-barrier model; and (vi) determine any additional capacity that may be required to safely and appropriately serve individuals under an ECO or TDO while maintaining adequate access for voluntary patients. DBHDS shall submit its findings and recommendations to the Behavioral Health Commission no later than December 1, 2026."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to identify strategies to serve more individuals subject to an ECO or TDO in crisis facilities by incentivizing existing Crisis Receiving Centers (CRC) and Crisis Stabilization Units (CSU) to follow a no-barrier approach, which entails accepting all individuals regardless of acuity or voluntary/involuntary status, and to offer a rapid drop-off option for law enforcement (“no barrier” approach). Although CSBs could be simply required to admit higher-acuity, involuntary patients in CRCs and CSUs, emphasis is being placed on identifying incentives that could be provided to help secure the buy-in of CSBs and ensure that desired outcomes are achieved.)

Item 299 #13s

Health and Human Resources

Department of Behavioral Health and Developmental Services — Language

Language:

Page 386, after line 40, insert:
"QQ. The Department of Behavioral Health and Developmental Services shall include in the

annual performance contracts with Community Services Boards (CSBs) and Behavioral Health Authorities (BHAs) a requirement that each CSB and BHA shall maximize billing of Medicaid services provided to Medicaid-eligible clients and report to the department on total Medicaid revenue each year. The department shall monitor the Medicaid revenue of each CSB and BHA on at least an annual basis to assess whether or not the CSB or BHA is meeting the contractual terms."

Explanation:

(This amendment requires the Department of Behavioral Health and Developmental Services to include in the annual performance contracts with Community Services Boards (CSBs) and Behavioral Health Authorities (BHAs) a requirement that each CSB and BHA shall maximize billing of Medicaid services provided to Medicaid-eligible clients and report to the department on total Medicaid revenue each year.)

Item 300 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Behavioral Health and Developmental Services	$1,500,000	$1,500,000	GF

Language:

Page 386, line 41, strike "$155,879,465" and insert "$157,379,465".
Page 386, line 41, strike "$155,879,465" and insert "$157,379,465".
Page 390, after line 37, insert:
"X. Out of this appropriation, $1,500,000 the first year and $1,500,000 the second year from the general fund is provided for the Department of Behavioral Health and Developmental Services to provide funding for private hospitals to support the needs of patients with significant discharge planning needs. These funds are designed to reduce the barriers and promote timely discharge to increase state hospital capacity."

Explanation:

(This amendment provides $1.5 million GF each year for the Department of Behavioral Health and Developmental Services to provide funding for private hospitals to support the needs of patients with significant discharge planning needs. These funds are designed to reduce the barriers and promote timely discharge to increase state hospital capacity.)

Item 300 #3s

Health and Human Resources	FY26-27	FY27-28	
Department of Behavioral Health and Developmental Services	$250,000	$250,000	GF

Language:

Page 386, line 42, strike "$155,879,465" and insert "$156,129,465".
Page 386, line 42, strike "$155,879,465" and insert "$156,129,465".
Page 390, line 19, after "appropriation,", strike "$250,000", and insert "$500,000".
Page 390, line 19, after "first year and", strike "$250,000", and insert "$500,000".

Explanation:

(This amendment provides $250,000 GF each year to increase funding for Specially Adapted Resources Clubs (SPARC) to support current operations serving adults with developmental disabilities in integrated community settings. SPARC operates as a participant-directed day program.)

Item 300 #4s

Health and Human Resources	FY26-27	FY27-28	
Department of Behavioral Health and Developmental Services	$250,000	$250,000	GF

Language:

Page 386, line 42, strike "$155,879,465" and insert "$156,129,465".
Page 386, line 42, strike "$155,879,465" and insert "$156,129,465".
Page 390, after line 37, insert:
"X. Out of this appropriation, $250,000 the first year and $250,000 the second year from the general fund shall be provided for the Department of Behavioral Health and Developmental Services to contract with Mile High Kids and Community Development, Inc. to support mental health services for children."

Explanation:

(This amendment provides $250,000 GF each year to support Mile High Kids and Community Development, Inc. in providing mental health services for children."

Item 301 #1s

Health and Human Resources	FY26-27	FY27-28	
Grants to Localities	$1,000,000	$1,000,000	GF

Language:

Page 390, line 48, strike "$816,747,052" and insert "$817,747,052".
Page 390, line 48, strike "$816,747,052" and insert "$817,747,052".
Page 394, line 13, after "appropriation,", strike "$17,185,533", insert "$18,185,533".

Page 394, line 13, after "first year and", strike "$17,185,533", insert "$18,185,533".

Explanation:

(This amendment provides $1.0 million GF each year to support the State Rental Assistance Program, which provides rental subsidies for individuals with intellectual or developmental disabilities. This amendment restores funding for vouchers lost in 2025 and 2026 due to cost-of-living increases and expands the program to make progress towards the goal of serving 10.0 percent of individuals on the Medicaid Developmental Disability Waivers.)

Item 301 #2s

Health and Human Resources	**FY26-27**	**FY27-28**	
Grants to Localities	$3,600,000	$7,800,000	GF

Language:

Page 390, line 48, strike "$816,747,052" and insert "$820,347,052".
Page 390, line 48, strike "$816,747,052" and insert "$824,547,052".
Page 395, line 40, after "appropriation,", strike "$16,200,000", and insert "$19,800,000".
Page 395, line 40, after "first year and", strike "$16,200,000", and insert "$24,000,000".

Explanation:

(This amendment provides an additional $3.6 million GF the first year $7.8 million GF the second year to fund the Marcus Alert program for the remaining thirteen Community Services Boards (CSBs) in time to meet the statutory implementation date of July 1, 2028. Marcus Alert is the statewide framework for providing a behavioral health, rather than public safety, response to a behavioral health crisis.)

Item 301 #5s

Health and Human Resources

Grants to Localities — Language

Language:

Page 395, strikes lines 9 through 39, and insert:

"2. The Department of Behavioral Health Services shall require each community services board or behavioral health authority to report annually, by September 1 of each year, on their expenditures on STEP-VA services for the prior fiscal year. The report shall include: (i) the amount expended broken out by service and the amount such funding increased or decreased as compared to the year prior; (ii) the number of individuals served by each service in the fiscal year; and (iii) their expected allocation for the fiscal year in which the report is due. The department shall submit the report by September 1, of each year to the Governor, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

Explanation:

(This amendment appropriates STEP-VA funding as one total funding amount rather than setting out an amount to be appropriated for each service. This will provide the Department of Behavioral Health and Developmental Services (DBHDS) and Community Services Boards (CSBs) flexibility to reallocate funds among STEPs to match community needs. The STEP-specific funding structure was useful to accommodate the program’s phased implementation, but it now limits the ability of the state and CSBs to respond to changing community needs and to address capacity gaps. CSB performance contracts will continue to require CSBs to offer all nine STEP-VA services in order to maintain a full continuum of care, even if funding becomes more flexible.)

Item 318 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department for Aging and Rehabilitative Services	$750,000	$750,000	GF

Language:

Page 401, line 25, strike "$123,960,176" and insert "$124,710,176".
Page 401, line 25, strike "$123,960,176" and insert "$124,710,176".
Page 403, line 18, after "appropriation," strike "$10,396,719" and insert "$11,146,719".
age 403, line 18, after "and" strike "$10,396,719" and insert "$11,146,719".
Page 403, line 35, after "amount," strike "$775,000" and insert "$1,525,000".
Page 403, line 35, after "first year and," strike "$775,000" and insert "$1,525,000".

Explanation:

(This amendment provides an additional $750,000 GF each year for workforce retention for brain injury services providers. The increase is to address workforce retention, increasing costs, and to ensure quality accessible services for people living with brain injuries.)

Item 318 #2s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department for Aging and Rehabilitative Services	$500,000	$500,000	GF

Language:

Page 401, line 25, strike "$123,960,176" and insert "$124,460,176".

Page 401, line 25, strike "$123,960,176" and insert "$124,460,176".
Page 403, line 18, strike the first "$10,396,719" and insert "$10,896,719".
Page 403, line 18, strike the second "$10,396,719" and insert "$10,896,719".

Explanation:

(This amendment modifies language and adds $5.0 million GF each year for community services for individuals with brain injury. This funding would 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/education efforts, and other critical supports to meet the growing demands for brain injury services across the state. Of this amount, up to $125,000 each year would be used to support the operating expenses for an additional 22 supportive housing units for persons with brain injury.)

Item 319 #1s

Health and Human Resources	FY26-27	FY27-28	
Department for Aging and Rehabilitative Services	$2,500,000	$2,500,000	GF

Language:

Page 404, line 12, strike "$41,964,449" and insert "$44,464,449".
Page 404, line 12, strike "$41,964,449" and insert "$44,464,449".

Explanation:

(This amendment provides $2.5 million GF each year to cover increased costs for providing current services for the Area Agencies on Aging and the increased demand for home care services and transportation.)

Item 319 #2s

Health and Human Resources	FY26-27	FY27-28	
Department for Aging and Rehabilitative Services	$300,000	$300,000	GF

Language:

Page 404, line 12, strike "$41,964,449" and insert "$42,264,449".
Page 404, line 12, strike "$41,964,449" and insert "$42,264,449".

Page 406, after line 10, insert:
"P. Out of this appropriation, $300,000 the first year and $300,000 the second year from the general fund shall be provided to support the Washington Area Villages Exchange for the continuation of a pilot program set to terminate at the end of fiscal year 2028 to reduce the public health risk of social isolation among older Virginians by expanding the availability of Villages to additional sites."

Explanation:

(This amendment provides $300,000 GF each year to support the Washington Area Villages Exchange for the continuation 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. This program was first funded in FY 2026 and was intended to run for three years to allow sufficient time to reach underserved high-risk areas, collect program evaluation data and cultivate funding sources for long-term sustainability. The pilot program will terminate at the end of FY 2028.)

Item 328 #1s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Social Services	$1,000,000	$1,000,000	GF
	$1,000,000	$1,000,000	NGF

Language:

Page 409, line 38, strike "$69,848,812" and insert "$71,848,812".
Page 409, line 38, strike "$72,568,002" and insert "$74,568,002".
Page 411, after line 9, insert:
"K. Out of this appropriation, $1,000,000 the first year and $1,000,000 the second year from the general fund and $1,000,000 the first year and $1,000,000 the second year from nongeneral funds shall be provided as one-time funds for the Department of Social Services to contract with a vendor to assist with the Supplemental Nutrition Assistance Program error rate reduction efforts. The Director, Department of Planning and Budget, shall unallot this appropriation until the Department of Social Services provides documentation of the contract's cost and shall only allot the contracted amount."

Explanation:

(This amendment provides $1.0 million GF and $1.0 million NGF each year for the Department of Social Services to contract with a vendor to assist in efforts to decrease the Supplemental Nutrition Assistance Program error rate.)

Item 328 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$300,000	$300,000	GF
	1.00	1.00	FTE

Language:

Page 409, line 38, strike "$69,848,812" and insert "$70,148,812".
Page 409, line 38, strike "$72,568,002" and insert "$72,868,002".
Page 411, after line 9, insert:
"K. Out of this appropriation, $300,000 the first year and $300,000 the second year from the general fund is provided for the Department of Social Services to create a new statewide program to support the well-being and improve the retention of local department of social services workers."

Explanation:

(This amendment provides $300,000 each year from the general fund and 1.0 position to implement evidence-based recommendations for a statewide program to provide better support the well-being of local department of social services workers and improve the retention of the state's child welfare workforce. Key components of this program are a confidential peer support hotline, implementation of the Community Resilience Model, and on-site response to support DSS workers after critical incidents.)

Item 329 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$0	$135,000,000	GF

Language:

Page 411, line 10, strike "$250,214,827" and insert "$385,214,827".
Page 412, after line 55, insert:
"L. Out of this appropriation, $135,000,000 the second year from the general fund shall be provided to the Department of Social Services for Supplemental Nutrition Assistance Program (SNAP) benefits cost sharing pursuant to Public Law No: 119-21. The general fund in this paragraph shall remain unallotted until the United States Department of Agriculture Food and Nutrition Service releases the federal fiscal year 2026 SNAP error rates. The Director, Department of Planning and Budget, shall only allot what is necessary based on the payment error rate and associated cost-sharing structure. The Department of Planning and Budget shall revert any unallotted amounts to the general fund on or before June 30, 2028."

Explanation:

(This amendment provides $135.0 million GF the second year for the potential Supplemental Nutrition Assistance Program (SNAP) benefits cost share pursuant to Public Law No: 119-21.)

Item 329 #2s

Health and Human Resources

Department of Social Services | Language

Language:

Page 411, line 29, after "A.", insert "1.".
Page 411, after line 36, insert:
"2. The Department of Social Services shall not initiate, expand, or modify the use of Temporary Assistance for Needy Families (TANF) funds beyond the programs and services expressly authorized and funded in this act, except as specifically authorized by an act of the General Assembly or as required by federal law."

Explanation:

(This amendment clarifies the authority for use of Temporary Assistance for Needy Families (TANF) funds to only those programs and services authorized in the Appropriation Act, authorized by the General Assembly or required by federal law.)

Item 330 #1s

Health and Human Resources

Department of Social Services | Language

Language:

Page 413, line 9, after "A.", insert "1.".
Page 413, after line 14, insert:
"2. The Department of Social Services shall not alter local match rates, methodologies, or policies in any manner that would increase the state share of program costs, except as authorized by an act of the General Assembly or as required by federal law."

Explanation:

(This amendment clarifies that local match rates cannot be altered unless authorized by the General Assembly or required by federal law.)

Item 330 #2s

Health and Human Resources

Department of Social Services | Language

Language:

Page 414, after line 2, insert:
"J.1. The Department of Social Services (DSS) shall establish and maintain a quality control methodology for determining each local department of social services' (LDSS) Supplemental Nutrition Assistance Program (SNAP) payment error rate. This metric shall utilize data, standards, and methodologies employed by the federal United States Department of Agriculture Food and Nutrition Service (USDA FNS) in calculating the federal SNAP payment error rate.
2. DSS shall publish local error rates for the previous federal fiscal year on its website by June 30 of each year. This publication shall include the statewide SNAP payment error rate as reported to the USDA FNS for the preceding federal fiscal year, as well as each locally determined SNAP payment error rate by LDSS."

Explanation:

(This amendment requires the Department of Social Services to establish and maintain a quality control methodology for determining each local department of social services' (LDSS) Supplemental Nutrition Assistance Program (SNAP) payment error rate and publish local error rates on its website alongside the state error rate by June 30 of each year.)

Item 330 #3s

Health and Human Resources

Department of Social Services — Language

Language:

Page 414, after line 2, insert:
"J. The Department of Social Services shall submit an annual report for each fiscal year on the allocation and use of state and federal funds distributed to local departments of social services. The report shall include, for each local department of social services: (i) the amount of state funding received; (ii) the amount of federal funding received and federal grant source; (iii) the programs and services supported by such funding; and (iv) the amount of local funds required and contributed to satisfy applicable matching requirements for such state and federal funding. The report shall be submitted to the Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than September 1 of each year.

Explanation:

(This amendment requires the Department of Social Services to report on funding provided to local departments of social services.)

Item 332 #1s

Health and Human Resources

Department of Social Services	Language

Language:

Page 416, after line 4, insert:
"F. The Director, Department of Planning and Budget, shall, on or before August 1, 2026, unallot $2,000,000 from the general fund in this item, which reflects unused balances in the auxiliary grants program."

Explanation:

(This amendment captures $2.0 million in balances the first year in the Auxiliary Grant program within the Department of Social Services.)

Item 333 #1s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$375,000	$363,450	GF
	$125,000	$121,150	NGF

Language:

Page 416, line 5, strike "$295,640,555" and insert "$296,140,555".
Page 416, line 5, strike "$301,084,270" and insert "$301,568,870".
Page 419, after line 5, insert:
"Y.1. Out of this appropriation, $375,000 the first year and $363,450 the second year from the general fund and $125,000 the first year and $121,150 the second year from the nongeneral funds shall be used to establish a two-year pilot multidisciplinary law office for parents in child dependency matters in Roanoke City, pursuant to the second enactment of Chapter 428, 2024 Acts of Assembly. The local Roanoke entity establishing such multidisciplinary law office will be the Qualified Legal Services Provider previously approved by the Virginia State Bar, and will enter into an agreement with a local department of social services or the Department of Social Services to receive the Title IV-E funding for eligible administrative costs of providing legal representation for a parent or guardian of a child who is a candidate for or in Title IV-E foster care to prepare for and participate in all stages of foster care legal proceedings.
2. The Department of Social Services shall report each year by December 1 to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the implementation and outcomes of the multidisciplinary law office pilot established in Roanoke City pursuant to this act. The report shall include, at a minimum the number of parents and guardians served, services provided, utilization of Title IV-E reimbursement for eligible administrative costs, program expenditures, any available data regarding child welfare and court outcomes, and recommendations for program improvement."

Explanation:

(This amendment provides $375,000 GF and $125,000 NGF the first year and $363,450 GF and

$121,250 NGF the second year to establish a two-year pilot multidisciplinary law office for parents in child dependency (foster care) matters in Roanoke City, pursuant to the second enactment of Chapter 428, 2024 Acts of Assembly, which states that up to two multidisciplinary law offices or programs may be established for the purpose of representing parents in child dependency court proceedings pursuant to a child protective services assessment or investigation in localities, jurisdictions, or judicial districts that affirm they have met criteria developed by the work group established by Chapter 305 of the Acts of Assembly of 2022. Language also requires the Department of Social Services to submit a report on program outcomes.)

Item 333 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	($13,596,414)	($15,626,848)	GF
	$1,000,000	$0	NGF
	-132.00	-90.00	FTE

Language:

Page 416, line 5, strike "$295,640,555" and insert "$283,044,141".
Page 416, line 5, strike "$301,084,270" and insert "$285,457,422".
Page 419, strike lines 1 through 5, and insert:
"X. Out of this appropriation, $1,000,000 the first year from the general fund and $1,000,000 the first year from the nongeneral fund is provided pursuant to legislation requiring the Department of Social Services to contract with a third party by August 1, 2026, to conduct a comprehensive study and review of the screening process used for child protective services complaints across Virginia. The Director, Department of Planning and Budget, shall unallot this appropriation until the Department of Social Services provides documentation of the contract's cost and shall only allot the contracted amount with such vendor."

Explanation:

(This amendment removes $14.6 million GF and 132.0 positions the first year and $15.6 million GF and 90.0 positions the second year from the Department of Social Services (DSS) to reflect the fiscal impact of legislation creating a centralized intake system, authorizing corrective action plans, and funding overtime for child protective service employees. This amendment also provides $1.0 million GF and $1.0 million NGF the first year for DSS to contract with a third party to conduct a comprehensive study and review of the screening process used for child protective services complaints across Virginia, as required by legislation.)

Item 335 #1s

Health and Human Resources	FY26-27	FY27-28

Department of Social Services	($100,000)	($100,000)	NGF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,313,045".
Page 419, line 42, strike "$73,413,045" and insert "$73,313,045".
Page 420, strike lines 33-36.

Explanation:

(This amendment removes obsolete language allocating $100,000 NGF each year for Hugs & Kisses, a child abuse prevention play, administered by Virginia Repertory Theatre, which was eliminated in Spring of 2024 and no longer is an active play.)

Item 335 #2s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$1,250,000	$1,250,000	GF
	$1,250,000	$1,250,000	NGF

Language:

Page 419, line 41, strike "$73,413,045" and insert "$75,913,045".
Page 419, line 41, strike "$73,413,045" and insert "$75,913,045".
Page 420, line 55, strike "2,717,756" and insert "3,967,756".
Page 420, line 55, strike "2,717,756" and insert "3,967,756".
Page 421, line 1, strike "4,736,500" and insert "5,986,500".
Page 421, line 1, strike "4,736,500" and insert "5,986,500".

Explanation:

(This amendment provides an additional $1.3 million GF and $1.3 million NGF each year to contract with child advocacy centers (CAC).)

Item 335 #3s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$1,500,000	$0	GF

Language:

Page 419, line 41, strike "$73,413,045" and insert "$74,913,045".
Page 423, after line 53, insert:

"CC. Out of this appropriation, $1,500,000 the first year from the general fund shall be provided to Fairfax County and Prince William County to enhance workforce development programs, support ongoing renovations and operations, add accessibility features, and create new training spaces for members of the immigrant community. Each county shall receive $750,000 for these purposes."

Explanation:

(This amendment provides $1.5 million GF the first year to Fairfax County and Prince William County to enhance workforce development programs, support ongoing renovations and operations, add accessibility features, and create new training spaces for members of the immigrant community.)

Item 335 #4s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$250,000	$250,000	GF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,663,045".
Page 419, line 42, strike "$73,413,045" and insert "$73,663,045".
Page 423, line 27, after "appropriation," insert "$250,000 the first year and $250,000 the second year from the general fund and".

Explanation:

(This amendment provides $250,000 GF each year for Cornerstones to provide food assistance for individuals in need.)

Item 335 #5s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$750,000	$750,000	GF

Language:

Page 419, line 41, strike "$73,413,045" and insert "$74,163,045".
Page 419, line 41, strike "$73,413,045" and insert "$74,163,045".
Page 423, after line 53, insert:
"CC.1. Out of this appropriation, $750,000 the first year and $750,000 the second year from the general fund shall be used to contract with the Virginia Children's Partnership (VCP). The contract with the VCP shall require that the general fund moneys shall be leveraged with gifts, grants, and other resources, whether public or private, and shall be used to improve and transform Virginia's child welfare system through innovative service delivery models with

particular focus on achieving positive outcomes for children and families who engage with various aspects of the child welfare system.
2. VCP shall report on the expenditure of these funds to the Governor, the Secretary of Health and Human Resources, the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Commissioner of Social Services with an audit and report on the Partnership's initiatives and results no later than November 1 of each year for the preceding fiscal year."

Explanation:

(This amendment provides $750,000 GF each year to contract with the Virginia Children's Partnership (VCP) for the purpose of improving and transforming Virginia's child welfare system through VCP's innovative service delivery model focused on achieving positive outcomes for Virginia's children and families.)

Item 335 #6s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$250,000	$0	GF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,663,045".
Page 423, after line 53, insert:
"CC. Out of this appropriation, $250,000 the first year from the general fund is provided to the City of Virginia Beach to support the YMCA of South Hampton Roads and the YMCA of the Virginia Peninsula to jointly administer a safety around water program in their service areas."

Explanation:

(This amendment provides $250,000 the first year from the general fund to support a swim safety program in Hampton Roads administered by YMCAs.)

Item 335 #7s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$250,000	$0	GF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,663,045".
Page 423, line 51, strike the first "$200,000" and insert "$450,000".

Explanation:

(This amendment provides an additional $250,000 the first year from the general fund to support Lorton Community Action Center, bringing the total to $450,000. Lorton Community Action Center delivers housing stabilization, food assistance, and wraparound services to low income individuals and families in Fairfax County.)

Item 335 #8s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Social Services	$100,000	$0	GF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,513,045".
Page 423, after line 53, insert:
"CC. Out of this appropriation, $100,000 the first year from the general fund is provided to the City of Richmond to support Sacred Heart Center to provide services and legal support to the immigrant and refugee population in South Richmond and North Chesterfield."

Explanation:

(This amendment provides $100,000 GF the first year to support Sacred Heart Center.)

Item 335 #9s

Health and Human Resources

Department of Social Services — Language

Language:

Page 423, line 43, strike "the City of Chesapeake to support" and insert "contract with".

Explanation:

(This amendment revises language allowing the Department of Social Services to contract directly with Buffalow Family and Friends instead of with a locality.)

Item 335 #10s

Health and Human Resources	**FY26-27**	**FY27-28**	
Department of Social Services	$1,125,000	$1,125,000	NGF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$74,538,045".
Page 419, line 42, strike "$73,413,045" and insert "$74,538,045".
Page 420, after line 22, insert:

"4. Out of this appropriation, $1,125,000 the first year and $1,125,000 the second year from the Temporary Assistance for Needy Families (TANF) block grant shall be provided for competitive grants to Community Action Agencies for a Two Generation/Whole Family Project and for the evaluation of the program. Applicants selected for the project shall provide a match of no less than 20 percent of the grant, including in-kind services. The Department of Social Services shall report to the General Assembly annually on the progress of the program and shall complete a final report no later than six years after the commencement of the program."

Explanation:

(This amendment provides $1.1 million each year from the TANF block grant to restore funding for the Two Generation/Whole Family Project, which supports Community Action Agencies' nationally recognized efforts to help families move into self sufficiency. The Governor's introduced budget eliminated the program.)

Item 335 #11s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	($300,000)	($300,000)	NGF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,113,045".
Page 419, line 42, strike "$73,413,045" and insert "$73,113,045".
Page 422, line 11, strike "and $300,000 the first year and $300,000 the second year from the Temporary"
Page 422, line 12, strike "Assistance for Needy Families block grant"

Explanation:

(This amendment removes the authority for Youth for Tomorrow to spend Temporary Assistance for Needy Families block grant funds.)

Item 335 #12s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$100,000	$100,000	NGF

Language:

Page 419, line 42, strike "$73,413,045" and insert "$73,513,045".
Page 419, line 42, strike "$73,413,045" and insert "$73,513,045".
Page 422, line 24, after "appropriation," strike "$350,000" and insert "$450,000".
Page 422, line 24, after "and" strike "$350,000" and insert "$450,000".

Explanation:

(This amendment provides $100,000 NGF the first year from the Temporary Assistance for Needy Families block grant to the Visions of Truth Community Development Corporation.)

Item 335 #13s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$100,000	$0	NGF

Language:

Page 419, line 41, strike "$73,413,045" and insert "$73,513,045".
Page 423, after line 53, insert:
"CC. Out of this appropriation, $100,000 the first year from the Temporary Assistance for Needy Families block grant is provided to the Northern Virginia Food Rescue to increase the amount of food rescued and distributed by the organization, enhance the quality and diversity of the food rescue by adding more fresh produce, and improve efficiency by investing in technology, equipment, and training."

Explanation:

(This amendment provides $100,000 NGF the first year to the Northern Virginia Food Rescue, located in Prince William County, to increase the amount of food rescued and distributed by the organization by 25.0 percent by the end of FY 2026, enhance the quality and diversity of the food rescued by adding more fresh produce, and to improve efficiency by investing in technology, equipment and training.)

Item 335 #14s

Health and Human Resources	FY26-27	FY27-28	
Department of Social Services	$500,000	$500,000	NGF

Language:

Page 419, line 41, strike "$73,413,045" and insert "$73,913,045".
Page 419, line 41, strike "$73,413,045" and insert "$73,913,045".
Page 423, line 22, after "appropriation," strike "$500,000" and insert "$1,000,000".
Page 423, line 22, after "and" strike "$500,000" and insert "$1,000,000".

Explanation:

(This amendment provides an additional $500,000 NGF each year from the Temporary Assistance for Needy Families block grant to the Lighthouse Community Center which provides housing assistance and other eligible services for individuals served by the organization.)

Item 352 #1s

Labor	FY26-27	FY27-28	
Department of Labor and Industry	$7,007,681	$6,516,194	GF
	29.00	29.00	FTE

Language:

Page 432, line 12, strike "$2,392,677" and insert "$9,400,358".
Page 432, line 12, strike "$2,392,677" and insert "$8,908,871".

Explanation:

(This amendment provides $7.0 million GF the first year, $6.5 million GF the second year, and 29.0 positions to support the fiscal impact of legislation related to labor law as passed by the 2026 General Assembly, such as paid sick leave, prevailing wage rates, and heat illness protection standards. The first year funding includes one-time system development costs.)

Item 357 #1s

Labor	FY26-27	FY27-28	
Department of Workforce Development and Advancement	$1,000,000	$0	GF

Language:

Page 434, line 41, strike "$47,153,983" and insert "$48,153,983".
Page 435, after line 19, insert:
"E. Out of this appropriation, $1,000,000 the first year from the general fund shall be deposited to the Virginia Health Care Career and Technical Training and Education Fund established in § 2.2-2040.1, Code of Virginia. The funding shall be used as matching funds for the Dental Hygienist Funding Pool. These funds shall be matched by private sector funds and administered by the Department in coordination with the Virginia Health Workforce Development Authority. The Department shall collaborate with the Virginia Community College System and private sector contributors to the Fund in the distribution of funds to dental hygiene programs in order to increase the number of graduates from such programs."

Explanation:

(This amendment provides $1.0 million GF the first year for the Virginia Health Care Career and Technical Training and Education Fund established in § 2.2-2040.1, Code of Virginia, as matching funds for the Dental Hygienist Funding Pool.)

Item 357 #2s

Labor	**FY26-27**	**FY27-28**	
Department of Workforce Development and Advancement	$500,000	$0	GF

Language:

Page 434, line 41, strike "$47,153,983" and insert "$47,653,983".
Page 435, after line 19, insert:
"E. Out of this appropriation, $500,000 the first year from the general fund is provided for workforce development programming through the Greater Roanoke Workforce Development Board in partnership with the Blue Ridge Partnership for Health Science Careers. The initiative will work to mitigate ongoing chronic healthcare labor challenges by increasing the flow of trained healthcare professionals who enter the field. Programs will be developed in collaboration with employers using verified health workforce data and will include but are not limited to the attraction and retention of skilled workers, and upskilling of incumbent workers. Funds will also assist employers with increased costs of required clinical instruction related to training programs in this initiative. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2027, and June 30, 2028, shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $500,000 GF the first year to the Greater Roanoke Workforce Development Board to support talent development for the health and biomedical sciences industry in the Roanoke Valley and Alleghany Highlands.)

Item 359 #1s

Labor

Virginia Employment Commission — Language

Language:

Page 437, after line 44, insert:
"M. The Virginia Employment Commission is hereby authorized to request and receive a treasury loan to fund the necessary start-up costs associated with the implementation of a Paid Family and Medical Leave Program for the Commonwealth contingent on the enactment of Senate Bill 2 of the 2026 Session. The treasury loan shall be repaid for these costs from revenues received from premiums assessed to employers and employees beginning in 2028."

Explanation:

(This amendment authorizes a treasury loan for the implementation of Senate Bill 2 of the 2026

General Assembly, which requires the Virginia Employment Commission to establish and administer a paid family and medical leave program with benefits beginning January 1, 2029. Funding for the program is provided through premiums assessed to employers and employees beginning in July 1, 2028.)

Item 361 #1s

Natural and Historic Resources	FY26-27	FY27-28	
Secretary of Natural Resources	$1,500,000	$0	GF

Language:

Page 439, line 3, strike "$1,395,227" and insert "$2,895,227".
Page 440, after line 25, insert:
"F. Out of the appropriation in this Item, $1,500,000 the first year from the general fund is provided for the nonfederal match for a United States Army Corps of Engineers study of the causes of and potential solutions to widening in Chincoteague Inlet."

Explanation:

(This amendment provides $1.5 million GF in the first year as the nonfederal match for a U.S. Army Corps of Engineers study of the widening of Chincoteague Inlet.)

Item 362 #1s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$1,497,500	$0	GF

Language:

Page 440, line 32, strike "$434,875,166" and insert "$436,372,666".
Page 444, after line 42, insert:
"W. Out of the appropriation in this Item, $1,497,500 the first year from the general fund is provided to the Lake Barcroft Watershed Improvement District for the dam safety improvement project to bring the Lake Barcroft Dam into compliance with spillway requirements through replacement of existing earthen embankments with concrete structures extending to the bedrock on both sides of the facility."

Explanation:

(This amendment provides $1.5 million GF the first year to the Lake Barcroft Watershed Improvement District for a dam safety improvement project. The dam is classified as a "High

Hazard Potential Dam" due to the population and infrastructure downstream.)

Item 362 #2s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$4,000,000	$0	GF

Language:

Page 440, line 32, strike "$434,875,166" and insert "$438,875,166".
Page 444, after line 42, insert:
"W. Out of the appropriation in this Item, $4,000,000 the first year from the general fund is provided for the Virginia Conservation Assistance Program administered by the Association of Soil and Water Conservation Districts."

Explanation:

(This amendment provides $4.0 million GF the first year for the Virginia Conservation Assistance Program. The program is a community cost share initiative that provides financial incentives, technical assistance, and educational resources to property owners installing eligible best management practices, such as living shorelines, rainwater harvesting, and conservation landscaping.)

Item 362 #3s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$0	$500,000	GF

Language:

Page 440, line 32, strike "$146,870,581" and insert "$147,370,581".
Page 443, line 50 after "year" insert "and $500,000 the second year".

Explanation:

(This amendment provides $500,000 GF the second year to support cyanobacteria mitigation and remediation efforts at Lake Anna in Louisa County.)

Item 362 #4s

Natural and Historic Resources	FY26-27	FY27-28

Department of Conservation and Recreation	$25,000,000	$0	GF

Language:

Page 440, line 32, strike "$434,875,166" and insert "$459,875,166".
Page 444, after line 42, insert:
"W. Out of the appropriation in this Item, $25,000,000 the first year from the general fund shall be deposited to the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund (Fund 09254) for major modification, upgrade, or rehabilitation of dams owned or maintained by the Virginia Soil and Water Conservation Districts."

Explanation:

(This amendment restores $25.0 million GF in the first year for repair and maintenance of Soil and Water Conservation District dams.)

Item 363 #1s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$300,000	$0	GF

Language:

Page 444, line 43, strike "$107,506,363" and insert "$107,806,363".
Page 446, after line 23, insert:
"K. Out of the amounts appropriated in this Item, $300,000 the first year from the general fund is provided for remediation of the breach at Jones Pond in Caledon State Park."

Explanation:

(This amendment provides $300,000 GF the first year for the Department of Conservation and Recreation to repair the breach at Jones Pond in Caledon State Park.)

Item 363 #2s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$215,240	$89,640	GF
	1.00	1.00	FTE

Language:

Page 444, line 43, strike "$107,506,363" and insert "$107,721,603".
Page 444, line 43, strike "$107,584,095" and insert "$107,673,735".
Page 445, at the beginning of line 18, strike "$560,000" and insert "$775,240".

Page 445, line 18, after "and" strike "$560,000" and insert "$649,640".

Explanation:

(This amendment provides $215,240 GF the first year and 1.0 position and $89,640 GF the second year and 1.0 position for operational support of Breaks Interstate Park in response to increasing visitation at the park.)

Item 363 #3s

Natural and Historic Resources	
Department of Conservation and Recreation	Language

Language:

Page 445, line 41, strike "Item C-25, Chapter 725 Acts of Assembly" and insert "Item C-15.2 of this act".
Page 445, line 43, strike "Item C-25, Chapter 725 Acts of Assembly" and insert "Item C-15.2 of this act".

Explanation:

(This language-only amendment updates Item 363 E to cross-reference the new C-15.2)

Item 366 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Environmental Quality	$1,625,000	$1,125,000	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$62,021,062".
Page 447, line 12, strike "$60,397,686" and insert "$61,522,686".

Explanation:

(This amendment provides $1.6 million GF the first year and $1.1 million GF the second year for the fiscal impact associated with monitoring and reporting of per- and polyfluoroalkyl substances (PFAS) discharged by industrial users of publicly owned treatment works.)

Item 366 #2s

Natural and Historic Resources	**FY26-27**	**FY27-28**

Department of Environmental Quality	$750,000	$750,000	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$61,146,062".
Page 447, line 12, strike "$60,397,686" and insert "$61,147,686".
Page 448, line 15, strike both instances of "$231,000" and insert "$981,000" and "$981,000".

Explanation:

(This amendment provides $750,000 GF each year of additional state support for the water supply planning activities of the 25 regional planning units, including resource mapping, risk assessment and mitigation, community engagement, and local plan approval. The Code of Virginia requires that regional water supply plans be submitted by October 2029.)

Item 366 #3s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$100,000	$0	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$60,496,062".
Page 448, after line 45, insert:
"M. Out of the amounts in this Item, $100,000 the first year from the general fund is provided to conduct a comprehensive study of the groundwater resource challenges in western Loudoun and Fauquier Counties, including potential solutions to ensure preservation and access to groundwater. The report shall be submitted to the Chairs of the House Agriculture and Natural Resources and Senate Agriculture, Conservation, and Natural Resources Committees by November 30, 2026."

Explanation:

(This amendment provides $100,000 GF the first year to conduct a comprehensive study of the groundwater challenges in western Loudoun County and Fauquier County, including potential solutions to ensure the preservation and access to groundwater moving forward.)

Item 366 #4s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$1,150,000	$0	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$61,546,062".
Page 448, after line 45, insert:

"M. Out of the amounts in this Item, $1,150,000 the first year from the general fund is provided for the Department to install up to five additional multi-well research stations to gather additional data to study the upper portions of the Eastern Virginia Groundwater Management Area. Any funding remaining on June 30 shall be carried forward and reappropriated into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides $1.2 million GF the first year for the Department of Environmental Quality to expand ground water research in the Eastern Virginia Groundwater Management Areas.)

Item 366 #5s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$300,000	$200,000	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$60,696,062".
Page 447, line 12, strike "$60,397,686" and insert "$60,597,686".
Page 448, after line 45, insert:
"M. Included in the appropriation for this Item is $300,000 in the first year and $200,000 in the second year from the general fund for the Department of Environmental Quality, in consultation with Virginia Tech, to evaluate the feasibility and cost of aquifer recharge at wastewater treatment facilities in the Eastern Virginia Groundwater Management Area in addition to those facilities already included in the Hampton Roads Sanitation District's Sustainable Water Initiative for Tomorrow (SWIFT) project, as well as an assessment of other beneficial uses of treated wastewater such as for cooling, irrigation, industry, or other gray water uses. The analysis shall be provided to the Chairs of the State Water Commission, House Committee on Agriculture, Chesapeake, and Natural Resources, and Senate Committee on Agriculture, Conservation, and Natural Resources by July 1, 2027."

Explanation:

(This amendment provides $300,000 GF the first year and $200,000 GF the second year to study the feasibility and cost of aquifer recharge at wastewater treatment facilities in the Eastern Virginia Groundwater Management Area.)

Item 366 #6s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$300,000	$300,000	GF

Language:

Page 447, line 12, strike "$60,396,062" and insert "$60,696,062".
Page 447, line 12, strike "$60,397,686" and insert "$60,697,686".

Explanation:

(This amendment provides $300,000 GF the first year and $300,000 GF the second year to support the Department's Hazardous Substances Storage Tank program activities.)

Item 366 #7s

Natural and Historic Resources

Department of Environmental Quality — Language

Language:

Page 448, after line 45, insert:
"M. 1. Notwithstanding any other provision of law, each data center as defined in subdivision A 43 of § 58.1-3506 that utilizes water-dependent cooling processes shall use reclaimed water:
a. On and after July 1, 2030, but before July 1, 2032, for at least 25 percent of all water-dependent cooling processes;
b. On and after July 1, 2032, but before July 1, 2034, for at least 50 percent of all water-dependent cooling processes;
c. On and after July 1, 2034, but before July 1, 2036, for at least 75 percent of all water-dependent cooling processes; and,
d. On and after July 1, 2036, for 100 percent of all water-dependent cooling processes.
2. As used in this Item:
"Facility" means the one or more buildings, group of buildings, and ancillary facilities and equipment that are located in a locality or localities that are owned, occupied, or otherwise operated by or for a data center operation.
"Reclaimed water" means wastewater treated to an unpotable standard that is reused for commercial purposes and whose reuse reduces demands placed upon potable water systems in the Commonwealth.
"Water-dependent cooling" means the use of water in open-loop or closed-loop cooling systems to suppress or reduce the temperature of server components in a facility, including through evaporative cooling and rear-door water cooling methods."

Explanation:

(This amendment establishes water conservation management standards for data centers.)

Item 367 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**

Department of Environmental Quality	$200,000	$0	GF

Language:

Page 448, line 46, strike "$31,589,292" and insert "$31,789,292".

Explanation:

(This amendment provides $200,000 GF the first year to conduct the waste-to-energy assessment pursuant to legislation pursuant to the 2026 Acts of Assembly.)

Item 368 #1s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$3,500,000	$0	GF

Language:

Page 449, line 47, strike "$258,956,273" and insert "$262,456,273".
Page 451, after line 39, insert:
"M. Of the amounts in this Item, $3,500,000 the first year from the general fund is provided to King George County Service Authority to implement the needed repairs to the Dahlgren Wastewater Treatment Plant Facility as identified in the Condition Assessment Report completed in June 2025."

Explanation:

(This amendment provides $3.5 million GF the first year to support the King George Service Authority's needed repairs to the Dahlgren Wastewater Treatment Plant Facility. The facility, within the Chesapeake Bay watershed, is unable to receive septage, and improvements will allow for sustainable water reuse solutions.)

Item 368 #2s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$50,000,000	$0	GF

Language:

Page 449, line 47, strike "$258,956,273" and insert "$308,956,273".
Page 451, after line 39, insert:
"M. Out of the amounts in this Item, $50,000,000 the first year from the general fund is provided to the City of Richmond to pay a portion of the costs of its combined sewer overflow control project. Any balances for the purposes specified in this paragraph which are unexpended at year-end shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $50.0 million GF the first year to the City of Richmond for its combined sewer overflow (CSO) control project. The support will pay for a portion of capital improvement projects that fulfill required interim and final plans addressing the combined sewer overflow into the James River.)

Item 368 #3s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$188,870,745	$0	GF

Language:

Page 449, line 47, strike "$258,956,273" and insert "$447,827,018".
Page 450, line 52, strike "$140,550,000" and insert "$329,420,745".
Page 451, strike line 1 and insert "Enhanced Nutrient Removal Certainty Program projects."
Page 451, at the beginning of line 11, strike "Grant" and insert "Exempting projects for which planning was initiated prior to January 1, 2027, grant".
Page 451, line 13, strike "taxable" and insert "tax-exempt".

Explanation:

(This amendment provides $188.9 million GF the first year for a supplemental deposit to the Water Quality Improvement Fund to support the state's share of the Hampton Roads Sanitation District Enhanced Nutrient Removal Certainty Program projects.)

Item 368 #4s

Natural and Historic Resources

Department of Environmental Quality — Language

Language:

Page 451, after line 39, insert:
"M. Any Enhanced Nutrient Removal Certainty (ENRC) Program priority project with a completion date no later than January 1, 2030, pursuant to § 62.1-44.19:14 G, Code of Virginia, or pursuant to Chapter 725 of the Acts of Assembly of 2025 may apply Water Quality Improvement Fund (WQIF) grant funds to costs to complete the ENRC Program priority project that are not WQIF eligible costs up to the amount of any American Rescue Plan Act (ARPA) grant funds that the ENRC Program priority project documents have been used to pay for WQIF eligible costs on or before December 31, 2026. The ENRC Program priority project shall not (i) charge any single expenditure to more than one grant, (ii) receive grant funds in excess of the total costs that have been incurred as of the time reimbursement is requested from the

Department, (iii) receive WQIF reimbursement at any point during the project in excess of the amount of WQIF eligible costs that have been incurred at the time reimbursement is requested, or (iv) receive total reimbursement from the WQIF in excess of the total approved WQIF grant amount."

Explanation:

(This language-only amendment provides flexibility to prioritize use of funds from existing American Rescue Plan Act (ARPA) grants (to meet the 2026 federal APRA expenditure deadline) and maintain and defer Water Quality Improvement Funds use until after all ARPA funds are used for two projects with post-2026 construction completion deadlines, the South Central Wastewater Authority and the City of Fredericksburg Waste Water Treatment Facility.)

Item 368 #5s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$250,000	$0	GF

Language:

Page 449, line 47, strike "$258,956,273" and insert "$259,206,273".
Page 451, after line 39, insert:
"M. The Department shall conduct a statewide PFAS disposal analysis, including consideration and estimates, as appropriate, of available landfill capacity, future landfill or monofill capacity, incineration or other available and innovative PFAS destruction technology, environmental impacts of alternatives, costs estimated at the state, locality or utility, and household levels, and loss of biosolids land applications benefits to farmers. The Department shall engage the services of a qualified consulting engineering firm with significant experience in disposal alternatives and shall oversee the analysis with the assistance of the PFAS Advisory Committee. Out of the amounts in this item, $250,000 the first year from the general fund is provided to effectuate the provisions of this paragraph."

Explanation:

(This amendment provides $250,000 GF in the first year for the Department of Environmental Quality to conduct an analysis of PFAS disposal alternatives, with the assistance of a qualified consulting engineering firm.)

Item 368 #6s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Environmental Quality	$500,000	$0	GF

Language:

Page 449, line 47, strike "$258,956,273" and insert "$259,456,273".
Page 451, after line 39, insert:
"M. Out of the amounts in this Item, $500,000 the first year from the general fund is provided for the County of Prince William to assist with the connection of Bristow Manor to the Prince William County wastewater collection system."

Explanation:

(This amendment provides $500,000 GF the first year to support the connection of Bristow Manor to the Prince William County wastewater collection system.)

Item 369 #1s

Natural and Historic Resources

Department of Environmental Quality — Language

Language:

Page 452, after line 3, insert:
"C.1. Notwithstanding the provisions of Title 10.1, Chapter 25, Code of Virginia, the Department is authorized to use up to $5,800,000 the first year from the balances in the Virginia Environmental Emergency Response Fund to pay for costs associated with liquids management, general operations, and certain administrative activities for managing leachate removal at the Shoosmith Landfill located in Chesterfield County. These funds may be disbursed by the Department to any entity, including but not limited to Chesterfield County, to assist with avoiding environmental, health, and quality of life issues with the landfill and emergency response steps if such issues occur. However, the Department is not obligated to disburse such funds.

2. The Department shall evaluate options and funding mechanisms to resolve the ongoing issues associated with closing the Shoosmith Landfill. The options and funding mechanisms shall identify Chesterfield County's responsibilities in mitigating and funding the landfill's closure. The Department shall explore other funding options available at the federal level to assist with closing the landfill. The Department shall evaluate legislative and regulatory options for ensuring sufficient oversight of landfills located in Virginia, including a formal, regulatory review of the financial assurance criteria and allowable financial mechanisms for safely closing landfills, and landfill inspection criteria. The Department shall submit a written report detailing the closing options and funding mechanisms, as well as the legislative and regulatory landfill oversight options to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees, and the Chairs of the Senate Agriculture, Conservation and Natural

Resources and House Agriculture, Chesapeake and Natural Resources Committees and by October 5, 2026."

Explanation:

(This language-only amendment directs the Department to use monies in the Virginia Environmental Emergency Response Fund to continue providing for the collection, removal, hauling, and final disposal of leachate produced by the landfill. The amendment also authorizes the Department, at its discretion, to contract with Chesterfield County and other local governments, as well as private contractors to assist with closing the landfill. The amendment also requires the Department to evaluate how the landfill can be appropriately closed and how the closure can be funded. The Department is required to submit the report to the Chairs of the following committees by October 5, 2026: Senate Finance and Appropriations, Senate Agriculture, Conservation and Natural Resources, House Appropriations, and House Agriculture, Chesapeake and Natural Resources. The reporting deadline is intended to provide sufficient time for consideration prior to the 2027 General Assembly.)

Item 373 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Wildlife Resources	$795,797	$0	NGF

Language:

Page 453, line 32, strike "$0" and insert "$795,797".
Page 453, line 33, strike "$19,898,252" and insert "$20,694,049".

Explanation:

(This amendment increases the transfer from the Game Protection Fund by $796,000 NGF in fiscal year 2027 to reflect the costs to the Department of Wildlife Resources of providing a two percent compensation increase as proposed in House Bill 30 as introduced. A companion amendment to Part 3 of House Bill 30 makes a corresponding adjustment to the transfer from the general fund to the Game Protection Fund.)

Item 374 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Historic Resources	$500,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,968,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $500,000 GF in the first year is provided to the City of

Virginia Beach to support the renovations and preservation of the historic Nimmo United Methodist Church."

Explanation:

(This amendment provides $500,000 GF in the first year to support renovations and preservation of the historic Nimmo United Methodist Church, a 200-plus year old church used by Union troops as a hospital.)

Item 374 #2s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$295,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,763,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this item, $295,000 GF the first year is provided to the County of Giles to support repairs and improvements at the historic Andrew Johnston House."

Explanation:

(This amendment provides $295,000 GF in the first year to support repairs at the historic Andrew Johnston House in Giles County.)

Item 374 #3s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$250,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,718,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $250,000 GF the first year is provided to the County of Loudoun to support the construction of the Ethical Leadership Development Center at General George C. Marshall's Dodona Manor."

Explanation:

(This amendment provides $250,000 from GF in the first year to support construction of a leadership center at General George C. Marshall's Dodona Manor.)

Item 374 #4s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Historic Resources	$107,800	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,576,742".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $107,800 GF the first year is provided to the County of Tazewell to support repairs and improvements at the historic Pocahontas Fuel building."

Explanation:

(This amendment provides $107,800 GF in the first year to support repairs of the historic Pocahontas Fuel building in Tazewell County.)

Item 374 #5s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Historic Resources	$50,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,518,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $50,000 from the general fund the first year is provided to the City of Richmond to support preservation of the historic Moore Street School."

Explanation:

(This amendment provides $50,000 GF in the first year to support preservation of the historic Moore Street School in the City of Richmond.)

Item 374 #7s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Historic Resources	$160,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,628,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $160,000 from the general fund the first year for the County of Arlington to support the September 11th National Memorial Trail Alliance."

Explanation:

(This amendment provides $160,000 GF in the first year to support the September 11th National Memorial Trail Alliance.)

Item 374 #8s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$2,000,000	$0	GF

Language:

Page 454, line 2, strike "$15,468,942" and insert "$17,468,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $2,000,000 the first year from the general fund shall be deposited to the Virginia Black, Indigenous, and People of Color Historic Preservation Fund, as established in § 10.1-2202.5, Code of Virginia. Such funds and funding authorized in paragraph M, Item 386, Chapter 1, 2023 Acts of Assembly, Special Session I, may be used for the preservation of historic sites. Notwithstanding the provisions of § 10.1-2202.5 F, Code of Virginia, grants from the Fund may be awarded to eligible recipients provided that the grantee provides a perpetual public benefit as determined by the Director."

Explanation:

(This amendment provides $2.0 million GF the first year to continue support for the Black, Indigenous, and People of Color Historic Preservation Grant Program and clarifies that previously provided funding may be used for the preservation of historic sites.)

Item 374 #9s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$500,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$15,968,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $500,000 the first year from the general fund is provided to the County of Fairfax to support the installation of temporary heating and cooling equipment at the historic Fairfax Courthouse building."

Explanation:

(This amendment provides $500,000 GF the first year to Fairfax County for the installation of temporary HVAC equipment at the historic Fairfax Courthouse.)

Item 374 #10s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$2,500,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$17,968,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $2,500,000 the first year from the general fund is provided to the County of Botetourt to support project costs related to Fincastle Museum."

Explanation:

(This amendment provides $2.5 million GF in the first year to support Botetourt County's Fincastle Museum project.)

Item 374 #11s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$1,000,000	$0	GF

Language:

Page 454, line 2, strike "$15,468,942" and insert "$16,468,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $1,000,000 the first year from the general fund is provided to the Town of Vienna to support the Washington and Old Dominion Trail Visitors Center."

Explanation:

(This amendment provides $1.0 million GF the first year to the Town of Vienna to support the Washington and Old Dominion Trail Visitors Center.)

Item 374 #12s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Historic Resources	$1,000,000	$0	GF

Language:

Page 454, line 3, strike "$15,468,942" and insert "$16,468,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $1,000,000 the first year from the general fund is provided

to the City of Alexandria for the Freedom House Museum for preservation and accessibility improvements. The funding will be matched dollar-to-dollar."

Explanation:

(This amendment provides $1.0 million GF the first year to Alexandria for improvements to the Freedom House Museum.)

Item 374 #13s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Historic Resources	$1,500,000	$0	GF

Language:

Page 454, line 2, strike "$15,468,942" and insert "$16,968,942".
Page 456, after line 37, insert:
"P. Out of the amounts in this Item, $1,500,000 the first year from the general fund is provided to the County of Arlington to support the National 9/11 Pentagon Memorial Visitor Education Center."

Explanation:

(This amendment provides $1.5 million GF the first year to support the National 9/11 Pentagon Memorial Visitor Education Center.)

Item 376 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Marine Resources Commission	$109,448	$109,448	GF
	1.00	1.00	FTE

Language:

Page 457, line 6, strike "$28,018,943" and insert "$28,128,391".
Page 457, line 6, strike "$28,018,943" and insert "$28,128,391".

Explanation:

(This amendment provides $109,000 GF in the first year and 1.0 FTE positions and $109,000 in the second year and 1.0 FTE position pursuant to the 2026 Acts of Assembly, which directs the Marine Resources Commission to promote the beneficial uses of dredged material.)

Item 376 #2s

Natural and Historic Resources	FY26-27	FY27-28	
Marine Resources Commission	$2,000,000	$0	GF

Language:

Page 457, line 6, strike "$28,018,943" and insert "$30,018,943".
Page 458, after line 25, insert:
"I. Out of the amounts in this Item, $2,000,000 the first year from the general fund is provided to the Northern Neck Planning District Commission for emergency dredging of the Little Wicomico River."

Explanation:

(This amendment provides $2.0 million GF the first year for emergency dredging of the Little Wicomico River.)

Item 382 #1s

Public Safety and Homeland Security

Commonwealth's Attorneys' Services Council — Language

Language:

Page 460, after line 42, insert:
"A. The Commonwealth's Attorneys' Services Council shall provide to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, no later than November 15, 2026, a report with options, including associated costs and any necessary statutory changes, for establishing shared infrastructure for electronic storage and dissemination of discovery materials, including approaches and funding strategies used in the other states, with the goal of leveraging economies of scale and improving the uniformity of IT infrastructure and discovery practices in Commonwealth's Attorneys' offices across the state."

Explanation:

(This amendment directs the Commonwealth's Attorneys' Services Council to provide options and associated costs for establishing shared infrastructure for electronic storage and dissemination of discovery materials, including approaches and funding strategies used in the other states, with the goal of leveraging economies of scale and improving the uniformity of IT infrastructure in Commonwealth's Attorneys' offices across the state.)

Item 384 #1s

Public Safety and Homeland Security

Department of Corrections — Language

Language:

Page 461, after line 39, insert:
"D. 1. The Department of Corrections (Department) shall determine appropriate program assignments to include, in addition to the assignments listed in § 53.1-32.1, Code of Virginia, group and individual counseling, alcohol and substance abuse treatment recovery training, technological literacy training, socioemotional development, mental health and wellness support, health literacy, relationship skills, social capital skills development, financial literacy, and such related activities as may be necessary to assist prisoners in the successful transition and reintegration into and ability to thrive in free society and the broader community with gainful employment. The Department shall actively incorporate peer support programs, group classes, and other classes or programs provided by external organizations, to the extent that resources are available.
2. The Department shall assess, train, and enlist prisoners in developing, facilitating, mentoring, and otherwise serving in leadership roles in peer and group educational programs for which such prisoners are qualified to lead or help facilitate. The Department shall, to the extent practicable and within existing resources, ensure that such peer and group educational programs are available without a waitlist. Time spent participating in such programs, including leading such programs as described in this subsection, and participating in programs offered by external organizations, shall count toward a prisoner's required weekly participation hours under § 53.1-32.1, Code of Virginia.
3. That the Department shall convene a work group consisting of relevant stakeholders to develop practical policy and legislative recommendations in order to meet the following goals: (i) develop robust networks of external organizations to provide regular programming at Department facilities across the Commonwealth, (ii) maximize the benefits and utilization of peer and group programming led or facilitated by Department inmates, (iii) establish a robust set of programs to broaden the range of offered programming types, and (iv) develop specific guidelines to safely minimize programming disruptions. The work group shall provide an initial report of its progress and initial findings and suggestions to the General Assembly and the Governor by November 1, 2026. The work group shall report its final findings and specific legislative and policy recommendations to the General Assembly and the Governor by July 1, 2027."

Explanation:

(This amendment provides language that directs the Department of Corrections to strengthen reentry programming, including partnering with external organizations and supporting prisoners in serving in leadership roles in peer and group education programs, within existing resources. The amendment also directs the Department to convene a work group to develop recommendations in support of those goals and to provide a final report to the General Assembly and the Governor by July 1, 2027. This language is consistent with the provisions of House Bill 1280, 2026 Session of the General Assembly, as it passed the Senate Rehabilitation and Social Services Committee.)

Item 386 #1s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Corrections	$1,230,392	$0	GF

Language:

Page 463, line 30, strike "$284,851" and insert "$1,515,243".
Page 463, after line 41, insert:
"Prince William-Manassas Regional Adult Detention Center - Renovation Project -- $275,400
Western Tidewater Regional Jail - Upgrade Project -- $954,992"

Explanation:

(This amendment provides $1.2 million GF the first year to provide the 25.0 percent state share of jail renovation capital projects that were approved by the Board of Local and Regional Jails but were not included in the introduced budget. The amendment includes $275,400 for the Prince William-Manassas Regional Adult Detention Center and $954,992 for the Western Tidewater Regional Jail.)

Item 389 #1s

Public Safety and Homeland Security

Department of Corrections — Language

Language:

Page 466, line 48, after "Item.," insert:
"The workgroup shall also examine the feasibility and costs of establishing partnerships with academic medical centers to: (i) perform utilization management review for evaluating the need for specialty medical care; and (ii) provide onsite care using medical center students and residents."
Page 466, after line 50, insert:
"E. The Department shall report on potential options for medical release or secure external nursing home options for elderly or high-cost claimants, including any associated fiscal impacts and public safety considerations, including eligible offenses, as well as practices used in other states. The Department shall provide its options and recommendations to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by October 15, 2026."

Explanation:

(This amendment provides language that directs the Department of Corrections to further examine intiatives in other states to further leverage services from academic medical centers and to provide options for medical release or external nursing home options.)

Item 390 #1s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Corrections	$2,353,777	$333,265	GF
	2.00	2.00	FTE

Language:

Page 466, line 51, strike "$208,907,340" and insert "$211,261,117".
Page 466, line 51, strike "$208,907,340" and insert "$209,240,605".
Page 468, after line 48, insert:
"O. Included in the appropriation for this Item is $1,100,000 the first year from the general fund for the estimated net increase in the operating cost of adult correctional facilities resulting from the enactment of sentencing legislation during the 2026 Session of the General Assembly. This amount shall be paid into the Corrections Special Reserve Fund, established pursuant to § 30-19.1:4, Code of Virginia."

Explanation:

(This amendment provides $2.4 million GF and 2.0 positions the first year and $333,265 GF and 2.0 positions the second year to the Department of Corrections for the fiscal impact of legislation, including a deposit to the Corrections Special Reserve Fund.)

Item 390 #2s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Corrections	$1,193,759	$1,042,648	GF

Language:

Page 466, line 51, strike "$208,907,340" and insert "$210,101,099".
Page 466, line 51, strike "$208,907,340" and insert "$209,949,988".
Page 468, after line 48, insert:
"O. Out of the amounts in this item, $1,193,759 the first year and $1,042,648 the second year from the general fund for the purchase of body worn cameras and related technology for deployment at Red Onion State Prison and Wallens Ridge State Prison."

Explanation:

(This amendment provides $1.2 million GF the first year and $1.0 million GF the seocnd year for the purchase and deployment of body worn cameras and associated technology at Red Onion State Prison and Wallens Ridge State Prison.)

Item 390 #3s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Corrections	$2,140,000	$450,000	GF

Language:

Page 466, line 51, strike "$208,907,340" and insert "$211,047,340".
Page 466, line 51, strike "$208,907,340" and insert "$209,357,340".
Page 468, after line 48, insert:
"O. The Department may not transfer appropriated amounts from program 197 (Instruction) to other programs. The Department of Planning and Budget is directed to reappropriate any unexpended balances at the end of the fiscal year so that the Department may use such balances for one-time expenditures to support correctional education, such as equipment."

Explanation:

(This amendment provides $2.1 million GF the first year and $450,000 GF the second year for a software application for the Department of Corrections (DOC)'s case management system to improve the data available to the Department as it places inmates in programs and facilities. The software would support two recommendations made by the Joint Legislative Audit and Review Commission related to correctional education, including: 1) DOC should require that principals consider inmates’ assessed need for educational and vocational programming to reduce their risk of recidivism when making program enrollment decisions; and 2) DOC should develop clear criteria for using temporary transfer holds for inmates in career and technical education (CTE) programs and require staff to use these criteria to guide their CTE participant transfer decisions. The software would also help to better coordinate inmate transportation between facilities and outside the facility, such as for court dates and medical appointments. Language also prohibits amounts appropriated for inmate education to be used for a different purpose.)

Item 390 #4s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Corrections	$7,837,000	$0	GF

Language:

Page 466, line 51, strike "$208,907,340" and insert "$216,744,340".
Page 468, after line 48, insert:
"O. Included in the appropriation for this item is $7,837,000 the first year from the general fund to provide a bonus of $1,000 for each employee assigned to a facility, with $500 per employee provided in July 2026 and $500 provided in December 2026.
P. The Department shall contract with an independent entity to conduct a comprehensive reevaluation of the Department's post audits to realign existing posts to meet the current needs,

as recommended in the "Security Staff Assessment and Relief Factor Recalculation - Final Report - Staffing and Facility Space Assessment - November 2024."

Explanation:

(This amendment provides $7.8 million GF the first year for a bonus of $1,000 for each employee assigned to a facility, with the first $500 provided in July 2026 and the remaining $500 provided in December 2026. Language directs the Department to contract with an independent entity to realign its security posts to meet current needs, as recommended in the 2024 security staff assessment issued by the Department.)

Item 390 #5s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Corrections	$300,000	$0	GF

Language:

Page 466, line 51, strike "$208,907,340" and insert "$209,207,340".
Page 468, after line 48, insert:
"O. Included in the appropriation for this item is $300,000 the first year from the general fund for a contract to provide law-enforcement specific recruitment and retention training to employees to improve hiring practices and strategies to increase the number of successful recruitments."

Explanation:

(This amendment provides $300,000 GF the first year for the Department of Corrections to engage a vendor to provide law-enforcement specific recruitment and retention training to improve hiring practices and strategies to increase the number of successful recruitments.)

Item 391 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Criminal Justice Services	$608,718	$578,718	GF
	4.00	4.00	FTE

Language:

Page 469, line 4, strike "$6,193,054" and insert "$6,801,772".
Page 469, line 4, strike "$6,193,054" and insert "$6,771,772".

Explanation:

(This amendment provides $608,718 GF and 4.0 positions the first year and $578,718 GF and 4.0 positions the second year to the Department of Criminal Justice Services for the fiscal impact of legislation.)

Item 394 #1s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Criminal Justice Services	$2,385,000	$2,385,000	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$236,070,032".
Page 471, line 8, strike "$231,685,032" and insert "$234,070,032".
Page 472, line 5, strike "$1,615,000" and insert "$4,000,000".
Page 472, line 6, strike "$1,615,000" and insert "$4,000,000".

Explanation:

(This amendment provides $2.4 million GF each year to increase the total appropriation for Court Appointed Special Advocate (CASA) programs to $4.0 million GF each year. CASA provides judges with trained volunteers to advocate for abused and neglected children.)

Item 394 #2s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Criminal Justice Services	$3,000,000	$3,000,000	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$236,685,032".
Page 471, line 8, strike "$231,685,032" and insert "$234,685,032".
Page 474, line 6, strike "$10,068,114" and insert "$13,068,114".
Page 474, line 7, strike "$10,068,114" and insert "$13,068,114".

Explanation:

(This amendment provides an additional $3.0 million GF each year to distribute as grants to local sexual assault and domestic violence victims services programs to help address increasing unmet shelter requests and other survivor needs.)

Item 394 #3s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**

Department of Criminal Justice Services	$6,500,000	$6,500,000	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$240,185,032".
Page 471, line 8, strike "$231,685,032" and insert "$238,185,032".
Page 476, line 13, strike each instance of "$14,000,000" and insert "$20,500,000".

Page 476, line 20, strike "$13,000,000" and insert "$19,500,000".

Page 476, line 21, strike "$13,000,000" and insert "$19,500,000".

Page 476, line 21, after "provided to" insert "the City of Hampton, the City of Newport News,".
Page 476, line 23, after "each of the" strike "four" and insert "six".
Page 476, line 28, after "paragraph." insert:
"Recipient localities: (i) shall not use funding for school resource or school safety officers; and (ii) shall prioritize support for community-led solutions."

Explanation:

(This amendment provides an additional $6.5 million GF each year to expand the Safer Communities Program to include the City of Hampton and the City of Newport News. Language requires that recipient localities prioritize support for community-led solutions and prohibits funding from being used for school safety or school resource officers.)

Item 394 #4s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Criminal Justice Services	$1,500,000	$0	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$235,185,032".
Page 475, line 36, strike the first instance of "$9,000,000" and insert "$10,500,000".
Page 475, line 40, after "youth programs." insert:
"Out of the amounts in this paragraph, at least $500,000 the first year from the general fund shall be provided to the City of Chesapeake, at least $500,000 the first year from the general fund shall be provided to the City of Virginia Beach, and at least $250,000 the first year from the general fund shall be provided to the City of Hopewell."

Explanation:

(This amendment provides and additional $1.5 million GF the first year for the Firearm Violence Intervention and Prevention Fund, including $500,000 for the City of Chesapeake,

$500,000 for the City of Virginia Beach, and $250,000 for the City of Hopewell.)

Item 394 #5s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Criminal Justice Services	($4,500,000)	($4,500,000)	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$229,185,032".
Page 471, line 8, strike "$231,685,032" and insert "$227,185,032".
Page 473, line 20, strike each instance of "$20,362,525" and insert "$15,862,525".

Explanation:

(This amendment reduces the annual appropriation for the School Resource Officer Incentive Grant Fund from $20.4 million GF each year to $15.9 million GF each year to better reflect utilization trends. Based on current projections, the adjusted appropriation remains sufficient to cover all existing grant award obligations and to provide approximately $4.9 million in new four-year grants beginning in FY 2027 and $4.5 million in new four-year grants beginning in FY 2028.)

Item 394 #6s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Criminal Justice Services	($2,000,000)	$0	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$231,685,032".
Page 478, strike lines 17 through 27.

Explanation:

(This amendment redirects $2.0 million GF the first year proposed to continue a one-time reimbursement grant program for emergency custody order or temporary detention order transportation services provided by local law enforcement agencies.)

Item 394 #7s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**

Department of Criminal Justice Services	$2,050,000	$2,050,000	GF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$235,735,032".
Page 471, line 8, strike "$231,685,032" and insert "$233,735,032".
Page 478, line 1, strike each instance of "$3,000,000" and insert "$5,000,000".

Page 478, line 2, strike "$2,000,000" and insert "$3,000,000".

Page 478, line 3, strike "$2,000,000" and insert "$3,000,000".
Page 478, line 4, strike each instance of "$1,000,000" and insert "$2,000,000".
Page 478, line 6, strike each instance of "$125,000" and insert "$175,000".

Page 478, line 7, strike "to the City of Richmond".

Explanation:

(This amendment provides $2.1 million GF each year to increase targeted grants to reduce community-based violence, including an additional $1.0 million GF each year for the Big Heroes of Minority in Every Society (Big H.O.M.I.E.S. program), $1.0 million GF each year for Cleaning Up the Streets Youth Employment Program (C.U.T.S), and $50,000 GF each year for the Help Me Help You program.)

Item 394 #8s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Criminal Justice Services	$6,200,000	$0	NGF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$239,885,032".
Page 473, line 37, after "emergency." insert:
"Out of nongeneral fund cash balances in the School Resource Officer Incentive Grants Fund, up to $6,200,000 the first year, dependent on grant applications, is designated for this purpose."
Page 473, line 51, after "ability-to-pay." insert:
"To the extent nongeneral fund cash balances are available in the School Resource Officer Incentive Grants Fund after accounting for existing commitments, projected new awards, and digital mapping grants, the Department may provide one-time fifth-year continuation grants, prioritzed to localities with a low local composite index."

Explanation:

(This amendment designates $6.2 million the first year from unutilized nongeneral fund cash balances in the School Resource Officer Incentive Grants Fund to expand the state's digital mapping program to include public universities and community colleges, in addition to local school divisions. The program may award grants for technology that improves emergency response coordination, such as mobile-accessible floor plans and enhanced emergency communications. If additional nongeneral fund cash balances are available, language also authorizes the Department to provide one-time fifth-year continuation grants to localities with a low local composite index.)

Item 394 #9s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Criminal Justice Services	$1,000,000	$0	NGF

Language:

Page 471, line 8, strike "$233,685,032" and insert "$234,685,032".
Page 478, after line 27, insert:
"Y. Included in the appropriation for this item is $1,000,000 from the Commonwealth Opioid Abatement and Remediation Fund for deposit in the Jail-Based Substance Use Disorder Treatment and Transition Fund."

Explanation:

(This amendment provides $1.0 million NGF the first year from the Commonwealth Opioid Abatement and Remediation Fund for the Jail-Based Substance Use Disorder Treatment and Transition Fund. The Fund was previously provided a one-time appropriation of $2.0 million NGF in FY 2024. This is a recommendation of the Joint Commission on Health Care.)

Item 394 #10s

Public Safety and Homeland Security

Department of Criminal Justice Services — Language

Language:

Page 477, line 6, strike "Justices" and insert "Justice".

Page 477, line 9, strike "activates" and insert "activities".
Page 477, line 12, strike "as well as localities".
Page 477, line 13, strike "engaged in partnership programs with such institutions or nonprofit organizations" and insert:
"localities applying on behalf of or in partnership with such institutions or nonprofit organizations, and regional, multi-jurisdictional, or nonprofit entities, including planning district

commissions, councils of governments, or nonprofit intermediaries, that provide security, training, technical assistance, or coordinated services to institutions or nonprofit organizations at risk of hate crimes".
Page 477, line 15, strike "a biennial or annual" and insert "at least one annual".
Page 477, line 15, after "guidelines." insert:
"The Department may issue additional funding rounds as resources and conditions warrant."
Page 477, line 16, strike "need for the grant" and insert "demonstrated or anticipated risk".
Page 477, line 18, strike "shall be".
Page 477, line 19, strike "awarded to the applicable locality to distribute to the grant recipient" and insert:
"may be awarded directly to an eligible grant recipient or, where appropriate, to a locality or regional entity serving as a fiscal agent for distribution to the grant recipient,".
Page 477, line 20, after "hate crimes." insert:
"In awarding grants, the Department shall seek to ensure that funding is distributed equitably across the Commonwealth, including consideration of geographic diversity, population density and planning district regions. In periods of heightened threat, credible risk, or following a significant hate-motivated incident, the Department is authorized to implement an expedited application and award process, including shortened timelines and accelerated fund disbursement, consistent with grant guidelines.".

Explanation:

(This amendment provides language that makes changes to the grant eligibility and distribution for the existing grant program to combat hate crimes, administered by the Department of Criminal Justice Services. Proposed changes include: expanding grant eligibility to entities that provide security, training, and technical assistance services to organizations at risk of hate crimes; requiring at least one annual request for funding and authorizing additional, expedited requests in certain circumstances; authorizing non-profits to receive grant funding directly; and directing equitable distribution of grant funding across the Commonwealth.)

Item 394 #11s

Public Safety and Homeland Security

Department of Criminal Justice Services — Language

Language:

Page 472, strike lines 36 to 40.
Page 474, line 33, strike each instance of "$2,000,000" and insert "$2,153,600".
Page 474, line 34, strike "continue" and insert "support".
Page 474, lines 35 through 36, strike "The number of pilot sites shall not be expanded beyond those participating in the pilot program the first year." and insert:
"The Department shall establish, in consultation with the Department of Behavioral Health and Developmental Services, criteria to select additional grantees. Current grantees of the model

addiction recovery program shall receive priority consideration for funding under the jail mental health pilot program. Grantees may not be funded through this pilot for more than two years, and the Department shall ensure grantees develop a plan to sustain program operations beyond the period of state funding."

Explanation:

(This amendment discontinues the model addiction recovery program and transfers the $153,600 GF each year for the model addiction recovery program to the Jail Mental Health Pilot Program. Language also directs the Department of Criminal Justice Services to identify additional grantees in consultation with the Department of Behavioral Health and Developmental Services. Combining these two program is a recommendation of the Joint Commission on Health Care.)

Item 398 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Emergency Management	($424,000)	($288,000)	GF

Language:

Page 480, line 2, strike "$33,133,556" and insert "$32,709,556".
Page 480, line 2, strike "$33,162,078" and insert "$32,874,078".

Explanation:

(This amendment removes $424,000 GF the first year and $288,000 GF the second year proposed to support a request for proposals for emergency communications equipment for rural areas. This amendment preserves language directing the Department of Emergency Management to issue the specified request for proposals.)

Item 399 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Emergency Management	($5,000,000)	($7,000,000)	GF
	($35,000,000)	$0	NGF

Language:

Page 481, line 3, strike "$66,722,676" and insert "$26,722,676".
Page 481, line 3, strike "$33,722,676" and insert "$26,722,676".
Page 481, strike lines 51 through 54.

Page 482, strike lines 1 through 5.

Explanation:

(This amendment defers $5.0 million GF the first year, $7.0 million GF the second year, and $35.0 million NGF the first year proposed in the introduced budget to address any potential federal restructuring of emergency management funding. The proposed source of the $35.0 million NGF was the Regional Greenhouse Gas Initiative Low-Income Energy Efficiency Fund (DHCD Allocation). Chapters 569 and 570, 2026 Acts of Assembly, direct the Secretary of Public Safety and Homeland Security to report workgroup recommendations on emergency management needs, funding sustainability, and alternative funding models by October 1, 2026.)

Item 399 #2s

Public Safety and Homeland Security

Department of Emergency Management — Language

Language:

Page 482, after line 5, insert:
"F. The Department of Emergency Management, in consultation with the Department of General Services, shall submit a plan to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by December 15, 2026, on the operational steps necessary to transition to a regional model at the conclusion of the lease for Deepwater Terminal. The plan shall include options for regional storage, prioritizing options in state buildings including colocation with other agencies where possible, and a description of the Department's plan for managing inventory."

Explanation:

(This amendment directs the Department of Emergency Management, in consultation with the Department of General Services, to submit a plan on the operational steps necessary to transition to a regional model at the conclusion of the lease for Deepwater Terminal. The plan shall include options for regional storage, prioritizing options in state buildings including colocation with other agencies where possible, and a description of the Department's plan for managing inventory.)

Item 401 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Emergency Management	$355,000	$0	GF

Language:

Page 482, line 19, strike "$14,204,087" and insert "$14,559,087".

Explanation:

(This amendment provides $355,000 GF the first year to the Virginia Department of Emergency Management for the fiscal impact of legislation.)

Item 405 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Fire Programs	$188,100	$0	GF

Language:

Page 485, line 20, strike "$11,905,518" and insert "$12,093,618".

Explanation:

(This amendment provides $188,100 GF the first year to the Department of Fire Programs for the fiscal impact of legislation.)

Item 405 #2s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of Fire Programs	($207,621)	($232,692)	NGF
	-2.00	-2.00	FTE

Language:

Page 485, line 19, strike "$11,905,518" and insert "$11,697,897".
Page 485, line 19, strike "$11,905,518" and insert "$11,672,826".
Page 485, line 37, strike "(i)".
Page 485, line 38, after "law" strike the remainder of the line and insert ".".
Page 485, strike line 39.

Explanation:

(This amendment removes the authorization proposed in the introduced budget that would have allowed the Department of Fire Programs to use Aid to Localities funding from the Fire Programs Fund to cover the costs of State Fire Marshal's Office personnel.)

Item 406 #1s

Public Safety and Homeland Security	FY26-27	FY27-28

Department of Fire Programs	$20,000,000	$0	GF

Language:

Page 485, line 45, strike "$53,707,527" and insert "$73,707,527".
Page 486, line 1, strike "Out of" and insert:
"Included in the amounts appropriated for this Item is a one-time appropriation of $20,000,000 the first year from the general fund, in addition to".
Page 486, line 1, after "Assembly," insert "for".
Page 486, line 2, after "Board," strike "is authorized".
Page 486, line 8, after "non-vehicular" insert "and vehicular".
Page 486, line 17, after "non-vehicular equipment" insert:
"or for replacement of vehicular equipment that is at or near the end of its reliable service life".

Explanation:

(This amendment provides a one-time appropriation of $20.0 million GF the first year for grants to localities to support firefighting vehicular and non-vehicular equipment and directs the Department of Fire Programs to prioritize localties who are fiscally distressed, as defined by the Department of Housing and Community Development and the Virginia Economic Development Partnership, and who demonstrate the need for equipment or for replacement of a fire truck that is at or near the end of its reliable service life.)

Item 413 #1s

Public Safety and Homeland Security

Department of Juvenile Justice — Language

Language:

Page 491, after line 21, after "B.1." insert:
"The Department shall reallocate any savings from the reduced cost of operating state juvenile correctional centers to support the goals of the transformation plan that was directed in Item B., Chapter 780, 2016 Acts of Assembly, including, but not limited to: (a) increasing the number of male and female local placement options, and post-dispositional treatment programs and services; (b) ensuring that appropriate placements and treatment programs are available across all regions of the Commonwealth; and (c) providing appropriate levels of educational, career readiness, rehabilitative, and mental health services for these juveniles in state, regional, or local programs and facilities, including but not limited to, community placement programs, independent living programs, and group homes. The goals of such transformation services shall be to reduce the risks for reoffending for juveniles supervised or committed to the Department and to improve and promote the skills and resiliencies necessary for the juveniles to lead successful lives in their communities.
2."
Page 491, line 33, strike "2" and insert "3".

Page 491, line 37, strike "3" and insert "4".

Explanation:

(This amendment makes a technical correction to restore language in the base budget related to use of savings from the closures of juvenile correctional centers as part of the 2016 transformation plan.)

Item 414 #1s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of Juvenile Justice	$376,000	$0	GF

Language:

Page 491, line 50, strike "$25,775,541" and insert "$26,151,541".
Page 492, after line 6, insert:
"A. Included in the appropriation for this Item is $376,000 the first year from the general fund to provide a bonus of $1,000 for each employee assigned to Bon Air Juvenile Correctional Center, with $500 per employee provided in July 2026 and $500 provided in December 2026."

Explanation:

(This amendment provides $376,000 GF the first year for a bonus of $1,000 for each employee assigned to Bon Air Juvenile Correctional Center, with the first $500 provided in July 2026 and the the remaining $500 provided in December 2026.)

Item 415 #1s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**	
Department of State Police	$634,613	$386,322	GF

Language:

Page 492, line 17, strike "$135,665,872" and insert "$136,300,485".
Page 492, line 17, strike "$135,661,900" and insert "$136,048,222".

Explanation:

(This amendment provides $499,188 GF the first year and $80,400 GF the second year to the Virginia State Police for the fiscal impact of legislation.)

Item 415 #2s

Public Safety and Homeland Security	**FY26-27**	**FY27-28**

Department of State Police	$343,600	$50,000	GF

Language:

Page 492, line 17, strike "$135,665,872" and insert "$136,009,472".
Page 492, line 17, strike "$135,661,900" and insert "$135,711,900".
Page 494, after line 44, insert:
"R. The Department of State Police shall develop a mobile phone application that integrates data from multiple missing persons alerting systems and provides a centrally accessible portal to receive alerts for missing persons and review the information assocated with each alert."

Explanation:

(This amendment provides $343,600 GF the first year and $50,000 GF the second year for a comprehensive, application-based missing persons response system with the purpose of unifying all alerts, such as AMBER, Silver, Ashanti, and Codi alerts, under one platform.)

Item 416 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Department of State Police	($20,641,375)	$0	GF

Language:

Page 494, line 46, strike "$449,184,302" and insert "$428,542,927".
Page 494, strike lines 41 through 44.
Page 496, after line 37, insert:

"T. 1. The Department of Planning and Budget shall submit information related to its projected budget deficit to the Director, Department of Planning and Budget, and Chairs of the House Appropriations and Senate Finance and Appropriations Committees, including, for each fiscal year from fiscal year 2016 through fiscal year 2025: (i) a comparison of appropriations and expenditures categorized by payroll and non-payroll including fund source; (ii) the number and rate of vacancies, noting the denominator used to calculate the vacancy rate; (iii) the average salary at the Department, categorized by sworn and civilian positions, and total amounts spent pursuant to the Workforce Transition Act; and (iv) the estimated vacancy savings, including the methodology used to calculate such savings. The Department shall submit the information required by this subparagraph no later than October 1, 2026.
2. Beginning July 1, 2026, the Department shall meet quarterly with the Director of the Department of Planning and Budget, or his designee, the Secretary of Public Safety & Homeland Security, or his designee, and the Staff Directors of the House Appropriations and Senate Finance and Appropriations Committees, or their designees, to provide updates that include the following information for the current fiscal year to date: (i) for each paragraph in the Appropriation Act that designates funding for a specific purpose, a detailed description of how the amounts are being spent; (ii) estimated vacancy savings, including the methodology used to

calculate such vacancy savings; (iii) hours and amounts spent on overtime, categorized by type of event; (iv) amounts spent pursuant to the Workforce Transition Act; and (v) any remaining projected budget deficit, including actions identified to address the budget deficit, if applicable.
3. From the amounts in this Item, the Department shall transfer necessary amounts to the Department of Planning and Budget for the Department of Planning and Budget to contract with an independent entity to conduct a comprehensive audit of the the Department of State Police's budget, identify the causes for the budget deficit for fiscal years 2026 through 2028 that was identified in fall 2025, and recommend actions for improving budget execution, internal cost controls, and organizational structure. Based on the result of the audit, the Secretary of Public Safety and Homeland Security, in consultation with the Secretary of Finance, Department of State Police, and the Department of Planning and Budget, shall submit a report describing the actions the Department plans to undertake to avoid future budget deficits to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than November 1, 2026.
4. The Department may not take any action that changes the agency's pay structure, including, but not limited to, increasing compensation for a category of employees, without the approval of the Director, Department of Planning and Budget, who, before approving the requested compensation increase, shall (i) certify that the Department has sufficient funding in its ongoing appropriations to accommodate the salary increase; and (ii) notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, or their designees.
U. The Department of State Police shall conduct an analysis of its filled and authorized staffing levels and provide options for staffing levels, including an analysis of mission coverage and costs for each staffing level option, and provide the analysis and options to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than December 1, 2026."

Explanation:

(This amendment reduces by $20.6 million GF the first year the amount proposed in the introduced budget for the Virginia State Police (VSP), bringing the total appropriation increase for the Department to $32.3 million GF the first year and $61.5 million GF the second year. The reduction reflects a delay of the third trooper school funded in the budget until FY 2028, to allow time for the Department to provide additional information on personnel expenditures and staffing level options. Language establishes reporting requirements and a quarterly meeting requirement related to VSP's expenditures. The amendment also requires VSP, through the Department of Planning and Budget, to contract with an independent entity to conduct a comprehensive audit of their budget and for the Secretary of Public Safety and Homeland Security to submit a report based on the results of the audit no later than November 1, 2026. Changes shall be made upon enrolling to separate the language amendments into Items 415 and 416.)

Item 419 #1s

Public Safety and Homeland Security	FY26-27	FY27-28	
Virginia Parole Board	$77,892	$103,865	GF
	1.00	1.00	FTE

Language:

Page 497, line 49, strike "$3,072,807" and insert "$3,150,699".
Page 497, line 49, strike "$3,072,807" and insert "$3,176,672".

Explanation:

(This amendment provides $77,892 GF the first year and $103,865 GF the second year and 1.0 position each year to the Virginia Parole Board for the fiscal impact of legislation.)

Item 420 #1s

Transportation

Secretary of Transportation — Language

Language:

Page 501, after line 46, insert:
"M. The Secretary of Transportation is directed to study and evaluate options for accelerating large-scale improvements to the Interstate 81 corridor. Such analysis shall include assessing the feasibility of utilizing a public-private partnership pursuant to the Public Private Transportation Act, including those options with toll financing, provided that any such analysis assumes there shall be two toll-free lanes in each direction available for continued use on Interstate 81. The Secretary shall report to the Chairs of the House Appropriations Committee, the Senate Finance and Appropriations Committee, and the House and Senate Transportation Committees by December 15, 2026 on the options identified."

Explanation:

(This amendment requires the Secretary of Transportation to evaluate options to accelerate the projects included in the Interstate 81 Corridor Improvement Program and report to the General Assembly on the options identified.)

Item 420 #2s

Transportation

Secretary of Transportation — Language

Language:

Page 501, after line 46, insert:

"M. The Secretary of Transportation, in collaboration with the Virginia Department of Transportation and the Department of Motor Vehicles, shall work with counterparts in the District of Columbia and the State of Maryland to study issues related to ticket reciprocity and registering vehicles in Virginia for out-of-state residents. The study shall include but not be limited to: (i) an examination of how ticketing reciprocity is handled for tickets issued to Virginia drivers by the District of Columbia through automated ticket enforcement; (ii) options for how Virginia could enter into reciprocity agreements for automated tickets; (iii) options for how Virginia, Maryland, and the District of Columbia could enter reciprocity agreements for toll violations; and (iv) an examination of the issue of out-of-state drivers in Maryland and the District of Columbia being able to register their vehicles in Virginia, including the scope of this issue and options to curtail this practice with a particular emphasis on preventing drivers with a dangerous driving record from registering vehicles in Virginia. The study will be coordinated through the Metropolitan Washington Council of Governments. The Department of Transportation shall submit the study to to the Chairs of the House Transportation and Appropriations, and Senate Transportation and Finance and Appropriations Committees by November 1, 2026."

Explanation:

(This amendment directs the Secretary of Transportation, in collaboration with the Virginia Department of Transportation and the Department of Motor Vehicles, to work with their counterparts in the District of Columbia and the State of Maryland to study issues related to ticket reciprocity and registering vehicles in Virginia for out-of-state residents.)

Item 420 #3s

Transportation

Secretary of Transportation — Language

Language:

Page 501, after line 5, insert:
"5. The office shall study the feasibility of imposing a tax on paid parking in private or commercial parking lots and garages, excluding residential parking, within any county or city that is a member of the Northern Virginia Transportation Commission. In consultation with the Department of Taxation, the study shall identify the number of applicable parking spaces and estimate potential revenue calculated either as a percentage of applicable parking charges or on a per-space basis. The office shall report the findings to the General Assembly no later than November 15, 2026."

Explanation:

(This amendment directs the Office of Intermodal Planning and Investments to study revenue options and estimates for a potential parking services tax in the Northern Virginia Transportation Commission.)

Item 428 #1s

Transportation	FY26-27	FY27-28	
Department of Motor Vehicles	$124,579	$0	NGF

Language:

Page 506, line 3, strike "$127,242,947" and insert "$127,367,526".

Explanation:

(This amendment provides $124,579 NGF the first year to fund the fiscal impact of legislation, which prohibits the licensure of a person as a driver training school instructor for driver education courses for minors if the person has been convicted of certain sex crimes or any offense that requires registration on the Sex Offender and Crimes Against Minors Registry. The bill requires the Department to establish and maintain a public, searchable database of disciplinary action taken by the Department against an instructor or driver training school. The bill requires driver training schools to notify students, prospective students, and guardians thereof of any such disciplinary actions taken in the preceding 24 months or while such student is enrolled.)

Item 433 #1s

Transportation	FY26-27	FY27-28	
Department of Rail and Public Transportation	$300,000	$0	GF

Language:

Page 508, line 9, strike "$862,932,848" and insert "$863,232,848".

Explanation:

(This amendment provides $300,000 GF the first year to support the work of the joint 13-member subcommittee established pursuant to the passage of House Joint Resolution 28 for a one-year study concerning the current status of public transit in Hampton Roads and options for the future.)

Item 433 #2s

Transportation	FY26-27	FY27-28	
Department of Rail and Public Transportation	$153,000,000	$0	GF

Language:

Page 508, line 9, strike "$862,932,848" and insert "$1,015,932,848".
Page 509, after line 26, insert:
"F. Out of the amounts included in this item, $153,000,000 the first year from the general fund is provided for the state share of additional operating assistance for the Washington Metropolitan Area Transit Authority (WMATA) throughout the biennium. The unexpended appropriation at the end of the first year shall not revert but shall be carried forward into the second year. The provisions of Virginia Code § 33.2-1526.1 (K) are temporarily suspended for fiscal years 2027 and 2028. This section of Code shall resume in fiscal year 2029. This Code change provides a two-year suspension of the requirement that limits the annual Virginia operating assistance for WMATA to no more than three percent over the prior year's approved budget."

Explanation:

(This amendment provides $153.0 million GF the first year to provide the state share of the increased operating support for the Washington Metropolitan Area Transit Authority over the two year biennium.)

Item 433 #3s

Transportation	FY26-27	FY27-28	
Department of Rail and Public Transportation	$19,000,000	$0	GF

Language:

Page 508, line 8, strike "$862,932,848" and insert "$881,932,848".
Page 508, line 28, after "Fund" insert:
"and $19,000,000 the first year from the general fund"
Page 508, line 28, after "Assistance." insert:
"Of these amounts, $19,000,000 the first year shall be considered one-time."

Explanation:

(This amendment provides $19.0 million GF the first year for one-time transit capital investments.)

Item 433 #4s

Transportation

Department of Rail and Public Transportation Language

Language:

Page 509, after line 26, insert:
"F.1 The Washington Metropolitan Area Transit Authority (WMATA) shall produce and make public (i) a 20-year, conceptual capital plan every five years beginning June 30, 2027, which will include an analysis of capital investments and other opportunities to be more cost efficient, (ii) a funding/financial plan for major projects with a capital cost greater than $300.0 million (adjusted for inflation), and (iii) an annual report on the performance of WMATA and its capital program, actual prior-year and anticipated next-year cost savings and cost efficiency efforts, and the use and outcomes of additional dedicated funding, if applicable.
2. The Department of Rail and Public Transportation shall review cost savings and cost efficiency efforts of WMATA. The Department shall report and provide recommendations to the Chairs of the Senate Finance and Appropriations and Transportation and House Appropriations and Transportation Committees by October 15, 2026. WMATA shall provide any information and assistance to the Department."

Explanation:

(This amendment requires the Washington Metropolitan Area Transit Authority (WMATA) to produce and make public (i) a 20-year, conceptual capital plan every five years beginning June 30, 2027, which will include an analysis of capital investments and other opportunities to be more cost efficient, (ii) a funding/financial plan for major projects with a capital cost greater than $300 million (adjusted for inflation), and (iii) an annual report on the performance of WMATA and its capital program, actual prior-year and anticipated next-year cost savings and cost efficiency efforts, and the use and outcomes of additional dedicated funding, if applicable. This amendment also requires the Department of Rail and Public Transportation to study WMATA cost savings and cost efficiency efforts and submit a report to the General Assembly by October 15, 2026.)

Item 433 #5s

Transportation

Department of Rail and Public Transportation — Language

Language:

Page 509, after line 26, insert:
"F. The Department of Rail and Public Transportation shall evaluate the feasibility of consolidating DASH Alexandria Transit, Fairfax Connector, ART Arlington Transit, and CUE Fairfax City into a single, unified regional bus system. As part of this evaluation, the Department shall prepare and submit a comprehensive report assessing: (i) potential cost savings and long-term financial impacts; (ii) operational efficiencies and service improvements; (iii) rider and community input, including public feedback and consumer sentiment; (iv) potential challenges, implementation considerations, and legal or governance implications associated with consolidation; and (v) a review of comparable consolidation efforts in other

states or metropolitan regions. The Department shall submit a report to the Chairs of the Senate and House Transportation Committees by November 1, 2026."

Explanation:

(This amendment requires the Department of Rail and Public Transportation to evaluate the feasibility of consolidating DASH Alexandria Transit, Fairfax Connector, ART Arlington Transit, and CUE Fairfax City into a single, unified regional bus system.)

Item 435 #1s

Transportation

Department of Rail and Public Transportation — Language

Language:

Page 510, after line 7, insert:
"C. The Virginia Department of Rail and Public Transportation, with assistance from the Virginia Department of Housing and Community Development, shall conduct a statewide study to plan, promote, and identify funding opportunities for transit-orientated development around existing and proposed transit and rail stations. The study also will include an analysis of potential barriers to housing production and economic development in these areas. The Virginia Department of Rail and Public Transportation shall submit the results of the study to the Governor and the General Assembly on or before December 15, 2026."

Explanation:

(This amendment directs the Virginia Department of Rail and Public Transportation, with assistance from the Virginia Department of Housing and Community Development, to conduct a statewide study to plan, promote, and identify funding opportunities for transit-orientated development around existing and proposed transit and rail stations and include an analysis of potential barriers to housing production and economic development in these areas.)

Item 437 #1s

Transportation

Department of Transportation — Language

Language:

Page 510, line 35, after "needs.", insert:
"Included in the amounts in this item, $50,000 the first year and $50,000 the second year from the allocation for the Office of Intermodal Planning and Investment is provided for sponsorship of the annual Public Policy Day (formerly Mobility Talks International) at the Washington, D.C. Auto Show."

Explanation:

(This amendment provides $50,000 NGF each year from the allocation for the Office of Intermodal Planning and Investment to support the 11th and 12th annual Public Policy Day (formerly Mobility Talks International) at the Washington, D.C. Auto Show that will take place in January 2027 and January 2028, respectively.)

Item 438 #1s

Transportation

Department of Transportation | Language

Language:

Page 512, after line 51, insert:
"L. Prior to the disbursement of the $90,000,000 allocated to the U.S. Route 220 corridor from the Priority Transportation Fund by the Commonwealth Transportation Board on November 10, 2025, the Virginia Department of Transportation, in collaboration with the Secretaries of Transportation and Commerce and Trade, shall engage with stakeholders, including members of the Blue Ridge Innovation Corridor, to discuss key priorities along the U.S. Route 220 corridor. Upon completion of the engagement, the Department shall recommend to the Commonwealth Transportation Board a priority project or projects to advance with such funds."

Explanation:

(This amendment directs the Virginia Department of Transportation, in collaboration with the Secretaries of Transportation and Commerce and Trade, to engage with stakeholders, including members of the Blue Ridge Innovation Corridor, to discuss key priorities along the U.S. Route 220 corridor. Upon completion of engagement, the Department will recommend to the Commonwealth Transportation Board a priority project or projects to advance with using the $90.0 million allocated for U.S. Route 220 from the Priority Transportation Fund.)

Item 438 #2s

Transportation

Department of Transportation | Language

Language:

Page 512, line 37, strike "$20.0 million" and insert "$10.0 million".
Page 512, line 39, strike "$50.0 million" and insert "$25.0 million".
Page 512, line 40, after "Virginia" strike ", and the" and insert:
". The Governor shall notify each member of the MEI Project Approval Commission and Commission staff of any proposed direction of funds requiring review. The".

Page 512, line 41, strike "21 days" and insert:
"30 business days".
Page 512, line 41, strike "submission" and insert:
"receipt of notification".
Page 512, line 42, strike "21" and insert "30".
Page 512, line 43, strike "21" and insert "30".
Page 512, line 43, after "directed." insert:
"The guidelines developed pursuant to § 33.2-1529.1(E), Code of Virginia shall be revised to reflect the requirements of these provisions."

Explanation:

(This amendment updates language related to the use of the Transportation Partnership Opportunity Fund (TPOF) for economic development. The language clarifies how the Governor should provide notice to the members and staff of the MEI Commission on the proposed use of TPOF resources, and extends the duration of the MEI Commission's review.)

Item 441 #1s

Transportation	**FY26-27**	**FY27-28**	
Department of Transportation	($24,000,000)	$0	GF

Language:

Page 513, line 21, strike "$167,663,377" and insert "$143,663,377".
Page 514, after line 25, strike lines 26 through 36.
Page 513, line 32, strike "$24,000,000 the first year and".
Page 514, after line 25, insert:
"8. The funds provided in paragraph C.1. of this item, to the extent available, may be used to supplement the original "ERC Toll Relief program" administered by the Department and funded by ERC. The Department shall administer the program in a manner to fully utilize ERC's contribution per Amendment 9 of the Comprehensive Agreement. If the Department projects, based on parameters as of July 1, 2025, that funding will be insufficient to fully fund the program in any one year, the amount needed shall be provided from the Eligible Drivers Toll Relief Fund. The Department shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees within 30 days of any shortfall which results in a change in the amount used from the Eligible Drivers Toll Relief Fund. The Department shall report on projected estimates and any amounts supplemented from the Eligible Drivers Toll Relief Fund by March 31 of each year to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

Explanation:

(This amendment removes $24.0 million GF the first year and allows the Department of

Transportation (VDOT) to utilize funds from the Eligible Drivers Relief Fund if VDOT projects that funding will be insufficient to fully fund the program in any one year.)

Item 450 #1s

Transportation	**FY26-27**	**FY27-28**	
Virginia Port Authority	($15,000,000)	$0	GF

Language:

Page 522, line 28, strike "$121,849,136" and insert "$106,849,136".
Page 524, line 4, strike "$35,000,000" and insert "$20,000,000".

Explanation:

(This amendment removes $15.0 million GF the first year for the development of an inland port in Washington County, Virginia. After the amendment, $20.0 million in funding remains for the project planning, design, and site development.)

Item 454 #2s

Veterans and Defense Affairs

Secretary of Veterans and Defense Affairs — Language

Language:

Page 526, strike lines 16 through 27 and insert:
"A.1. Any administrative reappropriations or other administrative appropriation increases pursuant to Item 458 of the Appropriation Act for the 2014-2016 biennium to address the encroachment of incompatible uses in localities in which the United States Navy Master Jet Base, an auxiliary landing field, or United States Air Force Base are located shall continue to be governed by the provisions contained in the 2014-2016 Appropriation Act. The recurring, dedicated special (nongeneral) fund component of the U.S. Navy Master Jet Base and Auxiliary Landing Field encroachment mitigation program is continued through June 30, 2028.
2. In the event that dedicated special revenues generated pursuant to the provisions of the 2014-16 Appropriations Act exceed the amounts needed to fund the requirements set out in that Act, any excess dedicated special fund revenue a total of $3,000,000 is hereby appropriated as follows:
a. $1,700,000 for encroachment mitigation activities in the vicinity of Naval Auxiliary Landing Field Fentress;
b. $700,000 for encroachment mitigation activities in the vicinity of Langley Air Force Base; and
c. $600,000 for encroachment mitigation activities in the vicinity of Naval Air Station Oceana.
3. The amounts identified in paragraph A.2. of this item shall be used to provide additional

assistance to the locality in which the United States Navy Master Jet Base auxiliary landing field is located for the purpose of purchasing property or development rights and otherwise converting such property to an appropriate compatible use and prohibiting new uses or development which is deemed incompatible with air operations arising from such Master Jet Base.
4. In addition to the amounts identified in paragraph A.1. of this item, $450,000 is hereby appropriated as follows:
a. $250,000 for encroachment mitigation activities in the vicinity of Naval Auxiliary Landing Field Fentress; and
b. $200,000 for encroachment mitigation activities in the vicinity of Joint Base Langley Eustis.
5. Included in this appropriation is $350,000 the first year and $350,000 the second year from the general fund for encroachment mitigation activities in the vicinity of Joint Base Langley Eustis.
6. The Secretary shall submit a report by November 1, 2026, to the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee. Such report shall include (i) a plan for how additional flexibility for encroachment mitigation program funding would be used, if provided; and (ii) a decription of the source or sources of dedicated special revenue appropriated in this section."

Explanation:

(This amendment restores language that was in Chapter 725, 2025 Session, but was proposed for amendment in the Governor's introduced budget, and directs the Secretary to report on how additional flexibility for encroachment mitigation program funding would be used, if provided)

Item 455 #1s

Veterans and Defense Affairs	**FY26-27**	**FY27-28**	
Department of Veterans Services	$0	($1,556,840)	GF

Language:

Page 527, line 1, strike "$102,995,630" and insert "$101,438,790".
Page 527, lines 14 through 15, strike "and $1,556,840 the second year".
Page 527, line 18, after "D.1.", insert:
There is hereby established a workgroup to evaluate the business plans of Virginia's veterans care centers to identify options for repayment of the working capital advance authorized by Chapter 2, 2022 Acts of Assembly, Special Session I and ensure that the care centers are self-sustaining after start-up funds are exhausted. The workgroup shall be comprised of the Secretary of Finance, or his designee, the Secretary of Veterans and Defense Affairs, or his designee, the Director, Department of Planning and Budget, or his designee, and two experts in financial management of long-term care facilities designated by the Virginia Health Care Association. The workgroup shall report such options to the Governor and the Chairs of the

House Appropriations and Senate Finance and Appropriations Committee no later than November 15, 2026. The workgroup shall include in its report an analysis of the impact of operating".
Page 527, line 18, strike "The Department of Veterans Services shall operate".

Explanation:

(This amendment defers $1.6 million GF the second year proposed in the introduced budget for start-up operations at the Puller Veterans Care Center. Language establishes a workgroup to review the business plans for the veterans care centers, identify options for repayment of a previously authorized working capital advance, and analyze the impact of operating the veterans care centers as a system.)

Item 456 #1s

Veterans and Defense Affairs	FY26-27	FY27-28	
Department of Veterans Services	$25,000	$0	GF

Language:

Page 527, line 24, strike "$39,190,863" and insert "$39,215,863".
Page 528, after line 45, insert:
"I. Out of this appropriation, $25,000 the first year from the general fund is provided for the Honor Guard Grant Program."

Explanation:

(This amendment provides $25,000 GF the first year to support the Honor Guard Grant Program established by Chapter 65, 2026 Acts of Assembly.)

Item 456 #2s

Veterans and Defense Affairs	FY26-27	FY27-28	
Department of Veterans Services	($100,000)	$0	GF

Language:

Page 527, line 24, strike "$39,190,863" and insert "$39,090,863".
Page 527, line 37, strike "$200,000" and insert "$100,000".

Explanation:

(This amendment redirects a proposed one-time $100,000 GF increase in the first year for an employer incentives program, maintaining $100,000 GF each year for the program. The amendment maintains proposed language on the number of transitioning service members hired through events hosted by the program.)

Item 463 #1s

Veterans and Defense Affairs	**FY26-27**	**FY27-28**	
Department of Military Affairs	($481,127)	($481,177)	GF
	-4.00	-4.00	FTE

Language:

Page 530, line 7, strike "$66,109,232" and insert "$65,628,105".
Page 530, line 7, strike "$66,109,282" and insert "$65,628,105".
Page 530, line 20, before "The Department" insert "A."
Page 530, after line 23, insert:
"B. The Department shall submit to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, no later than November 15, 2026, information to help identify options for ensuring sufficient fire prevention services are provided at Fort Pickett, including: (i) data on the amount of time Fort Pickett firefighters spent in the community responding to mutual aid requests from localities in recent fiscal years; and (ii) the payment structure for entities other than the Virginia National Guard that are tenants of Fort Pickett."

Explanation:

(This amendment defers $481,127 GF the first year and $481,177 GF the second year proposed in the introduced budget for four additional firefighter positions at Fort Pickett and directs the Department of Military Affairs to provide information to help identify options for ensuring sufficient fire prevention services at Fort Pickett.)

Item 465 #1s

Veterans and Defense Affairs	
Department of Military Affairs	Language

Language:

Page 531, line 22, after "shall", strike the remainder of the line.
Page 531, strike line 23.
Page 531, line 24, strike through "funds." and insert:
“include historical information on (i) comparisons of appropriations and expenditures categorized by payroll and nonpayroll including fund source; (ii) the average salary at the Department, categorized by position and funding source; (iii) the number of funded positions organized by function and by funding source; and (iv) any proposed actions to balance its budget, including the use of nongeneral funds.”
Page 531, after line 30, insert: “3. The Department of Planning and Budget shall unallot $504,769 the first year of the amounts in this paragraph until the Department of Military Affairs

has submitted the required report on its projected budget deficit by July 15, 2026.”
Page 531, line 32, after “use”, insert “up to $500,000 of”

Explanation:

(This amendment revises reporting requirements that the Department of Military Affairs (DMA) in a report due July 1, 2026, and unallots $504,769 the first year of the $2.0 million GF provided over the biennium to increase support for operations until the reporting requirement is met. Language also clarifies that the Department may only use up to $500,000 from the Armory Control Board Fund to supplement personnel expenditures.)

Item 469 #1s

Central Appropriations	FY26-27	FY27-28	
Central Appropriations	$95,956,955	$215,042,704	GF

Language:

Page 534, line 13, strike "$164,110,197" and insert "$260,067,152".
Page 534, line 13, strike "$356,513,260" and insert "$571,555,964".
Page 541, line 11, strike "$92,321,275 the first year and $203,442,509" and insert:
"$163,822,578 the first year and $363,686,769".
Page 541, line 13, after "employees by", strike "two" and insert "three and one-half".
Page 541, line 13, after "additional", strike "two" and insert "three and one half".
Page 542, line 6, strike "two percent on July 10, 2026 and an additional two" and insert:
"three and one half percent on July 10, 2026 and an additional three and one half".
Page 542, line 25, strike "two percent no earlier then July 10, 2026 and an additional two" and insert:
"three and one half percent no earlier then July 10, 2026 and an additional three and one half".
Page 542, line 30, strike "two" insert "three and one half".
Page 542, line 32, strike "two percent on July 1, 2026 and an additional two", and insert:
"three and one half percent on July 1, 2026 and an additional three and one half".
Page 542, line 44, strike "$30,427,658", insert "$53,248,403".
Page 542, line 44, strike "$64,181,140", insert "$118,037,371".
Page 542, line 46, strike "$2,670,022", insert "$4,672,550".
Page 542, line 46, strike "$5,883,756", insert "$10,373,062".
Page 542, line 47, strike "two", insert" three and one half".
Page 543, line 1, strike "two", insert" three and one half".
Page 543, line 4, strike "$1,231,839", insert "$2,155,729".
Page 543, line 4, strike "$2,714,536", insert "$4,785,706".
Page 543, line 5, strike "two", insert" three and one half".
Page 543, line 6, strike "two", insert" three and one half".

Explanation:

(This amendment provides $96.0 million GF the first year and $215.0 million GF the second year to increase the proposed two percent salary increase to three and one half percent for state and state-supported employees included in the introduced budget.)

Item 469 #2s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$546,761	$2,573,516	GF

Language:

Page 534, line 13, strike "$164,110,197" and insert "$164,656,958".
Page 534, line 13, strike "$356,513,260" and insert "$359,086,776".
Page 540, line 45, strike "$392,803", insert "$939,564".
Page 540, line 46, strike "$1,357,202", insert "$3,930,718".

Explanation:

(This amendment provides $546,761 GF the first year and $2.6 million GF the second year to reflect the impact of the increase in the state minimum wage pursuant to Senate Bill 1.)

Item 469 #3s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$0	$210,442	GF

Language:

Page 534, line 13, strike "$356,513,260" and insert "$356,723,702".
Page 543, after line 8, insert:
"V. Out of this appropriation, an amount estimated at $210,442 the second year from the general fund is available for transfer to the Compensation Board to fund the increases in the Virginia minimum wage scheduled for January 1, 2027, and January 1, 2028."

Explanation:

(This amendment provides $210,442 GF the second year to fund the impact on the Compensation Board of the increases in the Virginia minimum wage scheduled for January 1, 2027, and January 1, 2028.)

Item 469 #5s

Central Appropriations

Central Appropriations	Language

Language:

Page 543, after line 8, insert:
"V. The Department of Planning and Budget shall annually collect salary data for state-supported local employees. The data shall include the total salaries for full-time employees expended in the most recent fiscal year and the full-time employee count as of the last day of each fiscal year. State-supported local employee groups include.

a. Locally-elected constitutional officers;

b. General Registrars and members of local electoral boards;

c. Full-time employees of locally-elected constitutional officers; and

d. 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."

Explanation:

(This amendment directs the Department of Planning and Budget to collect full-time salary data and employee counts of state-supported local employees each year.)

Item 469 #6s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$170,624	$344,652	GF

Language:

Page 534, line 13, strike "$164,110,197" and insert "$164,280,821".
Page 534, line 13, strike "$356,513,260" and insert "$356,857,912".
Page 541, line 11, strike "$92,321,275" and insert "$92,491,889".
Page 541, line 11, strike "$203,442,509" and insert "$203,787,161".
Page 542, after line 30, insert:
"7. It is the intent of the General Assembly that the Department of Planning and Budget include the personnel cost for the Institute For Advanced Learning and Research into the methodology used to calculate the cost of future salary increases.

8. It is the intent of the General Assembly that the Department of Planning and Budget include

the personnel cost for the Roanoke Higher Education Authority into the methodology used to calculate the cost of future salary increases."

Explanation:

(This amendment makes a technical correction related to salary calculations for the Institute For Advanced Learning and Research and the Roanoke Higher Education Authority and includes funding for these two centers in the funding for the salary increases in both years.)

Item 469 #7s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$145,000,000	$0	GF

Language:

Page 534, line 13, strike "$164,110,197" and insert "$309,110,197".
Page 543, after line 8, insert:
"V. Included in the appropriation for this item, $145,000,000 the first year from the general fund is provided for a lump sum deposit into the State Employee Health Insurance Fund no later than July 15, 2026."

Explanation:

(This amendment provides $145.0 million GF the first year to provide a lump sum deposit into the State Employee Health Insurance Fund. There has been a significant decrease in the Fund's balance over the past year.)

Item 470 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$50,000,000	$0	GF

Language:

Page 543, line 10, strike "$18,877,672" and insert "$68,877,672".
Page 544, after line 2, insert:
"I.1. Out of this appropriation, $50,000,000 the first year from the general fund is provided for costs associated with the development of a statewide financial system at the Department of Education. The Department shall procure and implement a statewide financial system for K-12 public education to support real-time financial data, streamlined reporting from school divisions to the state, improve ability to track, monitor, and support school divisions on their financial status, and allow information and reporting to be shared with stakeholders in real-time. The Director, Department of Planning and Budget shall unallot this appropriation until such time that the Department develops an implementation plan approved by the Secretary of Education.

After the contingency is met, the Director, Department of Planning and Budget shall allot the amount that is needed in each fiscal year based on a reasonable funding schedule provided by the Department for each fiscal year.
2. Any amounts unobligated in paragraph I.1. above, for a statewide financial system may be used to support the costs of procuring and transitioning to a new statewide assessment system after the Department determines the desired system and develops an implementation plan approved by the Secretary of Education. After the contingency is met, the Director, Department of Planning and Budget shall allot the amount that is needed in each fiscal year based on a reasonable funding schedule provided by the Department for each fiscal year.
3. Any amounts remaining from the general fund appropriation identified in this Item that remain unspent at the end of any fiscal year shall be reappropriated in the next fiscal year for the stated purposes in this Item."

Explanation:

(This amendment provides $50.0 million GF the first year to support the development of a statewide financial system at the Department of Education. Language specifies that remaining balances from the appropriation may be used to support a new statewide assessment system.)

Item 470 #2s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$21,561,404	$23,686,842	GF

Language:

Page 543, line 10, strike "$18,877,672" and insert "$40,439,076".
Page 543, line 10, strike "$20,522,424" and insert "$44,209,266".
Page 535, line 33, strike "$99,423,507", insert "$120,984,911".
Page 535, line 34, strike "$144,095,199", insert "$167,782,041".

Explanation:

(This amendment provides $21.6 million GF the first year and $23.7 million GF the second year to adjust funding for the employer's share of premiums for state employee health insurance.)

Item 470 #3s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$3,170,619	$3,170,619	GF

Language:

Page 543, line 10, strike "$18,877,672" and insert "$22,048,291".
Page 543, line 10, strike "$20,522,424" and insert "$23,693,043".

Page 543, line 33, after "estimated at", strike "$2,367,806", and insert "$5,538,425".
Page 543, line 33, after "first year and", strike $2,367,806, and insert "$5,538,425".

Explanation:

(This amendment provides $3.2 million GF each year to reflect a higher rent rate charged for state office space. The introduced budget assumed no increase in the rate despite rising costs.)

Item 470 #4s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$10,000,000	$0	GF

Language:

Page 543, line 9, strike "$18,877,672" and insert "$28,877,672".
Page 43, after line 47, insert:
"H. Out of this appropriation, $10,000,000 the first year from the general fund shall be provided to fund state digital services enhancements and website improvements across agencies of the Commonwealth. The Director, Department of Planning and Budget shall transfer funding from this appropriation to other agencies in this Act after notice is provided by the Office of the Governor as to the agency and amount of the transfer. The Virginia Information Technologies Agencies shall be consulted in regard to system upgrades and provide technical assistance as needed. Funding may be used to assist agencies with ADA compliance for their websites. Any unexpended appropriation in this paragraph at the close of business on June 30 each year shall not revert to the general fund, but shall be carried forward and reappropriated."

Explanation:

(This amendment provides $10.0 million GF the first year for initiatives to enhance state digital services.)

Item 471 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$100,000,000	$175,000,000	GF

Language:

Page 544, line 4, strike "$1,300,000" and insert "$101,300,000".
Page 544, line 4, strike "$1,300,000" and insert "$176,300,000".
Page 546, after line 18, insert:
"K. Out of this appropriation, $100,000,000 the first year and $175,000,000 the second year from the general fund is authorized to be provided to the Department of Medical Assistance Services (DMAS) if the general fund amounts in Item 291 of this act are insufficient to pay all

Medicaid costs in the fiscal year due to higher than expected program costs. The Director, Department of Planning and Budget (DPB) shall have the authority to transfer this appropriation if the Director of DMAS can demonstrate that the general fund appropriation is insufficient to meet all obligations for the fiscal year. In the first year, if the Director of DMAS notifies DPB that payments in the Medicaid program were delayed from fiscal year 2026 into fiscal year 2027 due to insufficient funding, the Director of DPB shall have the authority to allot the general fund share of that shortfall to cover those payments in fiscal year 2027. The Director of DPB shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committee within five days of any transfer of appropriation pursuant to these provisions."

Explanation:

(This amendment provides $100.0 million GF the first year and $175.0 million GF the second year as a Medicaid reserve contingency for higher than expected costs of the program.)

Item 471 #2s

Central Appropriations

Central Appropriations — Language

Language:

Page 546, strike lines 11 through 18, and insert:
"J. 1. From such general fund revenues as are collected for fiscal year 2026 in excess of the official fiscal year 2026 revenue estimate included in the final 2024-2026 biennial appropriation act adopted in the 2026 General Assembly Session, $585,500,000 shall be excluded from the calculation of the deposits to the Revenue Reserve Fund and Water Quality Improvement Fund Part A, but not from the calculation required to meet any Constitutionally-mandated deposit to the Revenue Stabilization Fund. This amount is reflected in § 3 of Enactment 1 of this Act, in the unreserved beginning balance for fiscal year 2027.
2. From such general fund revenues as are collected for fiscal year 2026 in excess of the official fiscal year 2026 revenue estimate included in the final 2024-2026 biennial appropriation act adopted in the 2026 General Assembly Session, the first $350,000,000, or portion thereof, that is not required to meet a Constitutionally-mandated deposit to the Revenue Stabilization Fund, the exclusion in subsection J.1. above, or a Water Quality Improvement Fund Part A deposit, and prior to calculating the Revenue Reserve Fund, shall be reserved by the Comptroller in the Committed Fund Balance for the following purposes in priority order during the first year: $100,000,000 for the State Employee Health Insurance Fund; and $250,000,000 for the purpose of supplanting bond proceeds in Item C-29 of this act with general fund dollars."

Explanation:

(This amendment excludes $585.5 million GF from the actual FY 2026 revenue when calculating any required deposits to the Revenue Reserve Fund and Water Quality Improvement Fund (WQIF) Part A. This general fund amount is assumed in the unreserved beginning balance for FY 2027 in Item 0 of this Act. Additionally, it reserves any remaining surplus up to $100.0 million, after calculating the Revenue Stabilization Fund Deposit and WQIF Part A, to the state employee Health Insurance Fund and to supplant a portion of tax-supported bonds authorized in Item C-29 of the Act.)

Item 471 #3s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$75,000,000	$125,000,000	GF

Language:

Page 544, line 4, strike "$1,300,000" and insert "$76,300,000".
Page 544, line 4, strike "$1,300,000" and insert "$126,300,000".
Page 546, after line 18, insert:
"K.1. Out of the amounts included in this appropriation, $75,000,000 the first year and $125,000,000 the second year from the general fund shall be provided for assistance to state agencies experiencing revenue shortfalls or operational disruptions arising from reductions, suspensions, rescissions, or delays in anticipated federal funding, including reductions resulting from federal legislative action, executive orders, administrative guidance, regulatory changes, or federal agency discretionary decisions occurring after the enactment of this act.

2.a. State agencies shall submit requests, in a form determined by the Department of Planning and Budget (DPB) by no later than August 1 of each fiscal year to the Secretary of Finance and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees to address reductions in federal funding.

b. Eligible state agencies include: (i) any state agency or independent agency of the Commonwealth that receives federal funds as a component of its operating budget or as support for a program authorized under the Code of Virginia; and (ii) any institution of higher education as defined in § 23.1-100 of the Code of Virginia, to the extent that federal funding reductions directly affect state-supported programs.

c. Agency requests must include: (i) a description of the program affected and its statutory or regulatory basis; (ii) documentation of the federal funding reduction; (iii) a calculation of the funding shortfall and the amount requested; and (iv) certification that no other resources are available to offset the loss of federal funds; and (iv) any additional information required by DPB.

d. Funding requests shall be approved by the Secretary of Finance, in consultation with the Director of DPB, if all of the following criteria are satisfied: (i) the agency must demonstrate, by written documentation from the relevant federal agency, a reduction, suspension, rescission, cancellation, or material delay of federal funding that is included in the appropriation act as an expected source of revenue or supported a program that the Commonwealth is legally or contractually obligated to continue; (ii) the federal funding reduction must represent a material impact to the affected program that impacts the health, safety, or welfare of program beneficiaries; (iii) the agency must demonstrate that no other available resources are available to offset the loss of federal funds; and (iv) the agency must demonstrate that the program affected by the federal funding reduction is required by state law or federal law and serves a population whose health, safety, or economic welfare would be materially harmed by program interruption or supports a critical infrastructure or public safety function. However, no funding appropriated in this Item shall be transferred to pay the state share of Supplemental Nutrition Assistance Program benefits or to fund local departments of social services.

3. The Director, Department of Planning and Budget, shall, based on its review and analysis of agency requests, make recommendations by September 15 of each fiscal year to the Secretary of Finance and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. The Secretary of Finance shall have the authority to approve funding requests, beginning October 15 of each fiscal year, after receiving input from the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.

3. The Director, Department of Planning and Budget shall report any amounts to be transferred out of the fund to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees 15 days prior to transferring any such funds."

Explanation:

(This amendment provides $75.0 million the first year and $125.0 million the second year from the general fund to address unanticipated reductions in federal funding that impact state programs and services.)

Item 471 #4s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Appropriations	$250,000,000	$0	GF

Language:

Page 544, line 4, strike "$1,300,000" and insert "$251,300,000".
Page 546, after line 18, insert:
"K.1. Out of this appropriation, $250,000,000 the first year shall be provided for environmental monitoring. The Director, Department of Environmental Quality (DEQ) shall conduct a review and evaluation of state environmental monitoring activities and determine where improvements can be made or are necessary and make such recommendations to the Governor and the General Assembly on an on-going basis, but not less than at least annually by November 1 of each year. The Director of DEQ, after making a determination, shall after consultation with the Governor, allocate from this appropriation funding to address gaps in environmental monitoring efforts in the Commonwealth. Such funding may be used for: (i) air quality monitoring infrastructure; (ii)

water quality monitoring and sensor networks; (iii) soil and land contamination monitoring; (iv) data management, analytics, and reporting; (v) local and regional monitoring grants; (vi) workforce development and technical assistance; (vii) environmental monitoring activities specific to data centers; (viii) and up to $2.5 million for administration and consultants as needed. The Director, Department of Planning and Budget shall have authority to transfer funding from this appropriation as needed after notification is provided by the Director of DEQ.
2. Any unexpended balances from funds designated under paragraph K.1. shall not revert to the general fund at the close of the fiscal year but shall be reappropriated for expenditure in the succeeding fiscal year.
3. The Director of DEQ shall report to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees, no later than October 1 of each year on:
(i) expenditures;
(ii) monitoring activities conducted and geographic coverage achieved;
(iii) key environmental findings and data trends;
(iv) grant awards made under paragraph K.5., including recipient, amount, and project description; and
(v) recommended adjustments to program priorities or funding levels for future years.
4. DEQ shall publish monitoring data consistent with this paragraph on a publicly accessible website maintained by the agency, updated no less than quarterly."

Explanation:

(This amendment provides $250.0 million GF in the first year to fund improvements in environmental monitoring in the Commonwealth.)

Item 474 #1s

Independent Agencies

State Corporation Commission — Language

Language:

Page 549, line 15, before "Out", insert "A."
Page 549, after line 19, insert:
"B. Notwithstanding § 6.2-1810 of the Code of Virginia, the State Corporation Commission shall not be required to certify and contract with one or more third parties to develop, implement, and maintain a short-term loan database if the existing vendor discontinues its operation of the database and it is not feasible for the State Corporation Commission to procure an alternative vendor. In such event, the provisions in § 6.2-1810 relating to the database shall be inapplicable and the State Corporation Commission shall amend its regulations under Chapter 18 of Title 6.2 of the Code of Virginia accordingly."

Explanation:

(This amendment relieves the State Corporation Commission from the statutory requirement that it contract with one or more third parties to operate a short-term loan database.)

Item 475 #1s

Independent Agencies	**FY26-27**	**FY27-28**	
State Corporation Commission	$2,205,050	$1,354,950	NGF
	11.00	12.00	FTE

Language:

Page 549, line 20, strike "$41,548,933" and insert "$43,753,983".
Page 549, line 20, strike "$41,367,346" and insert "$42,722,296".

Explanation:

(This amendment provides $2.2 million NGF the first year and 11.0 positions and $1.4 million NGF the second year and 12.0 positions to reflect the impact of legislation adopted in the 2026 Session impacting the State Corporation Commission.)

Item 477 #1s

Independent Agencies

State Corporation Commission — Language

Language:

Page 550, after line 1 insert:
"D.1. The State Corporation Commission, with the assistance of the Department of Environmental Quality, and all other agencies of the Commonwealth, any political subdivision, or any applicable utility shall provide assistance as requested, shall collect the following and report the information in an aggregated format to the Chairs of the Senate Finance and Appropriations and House Appropriations Committees by October 1, 2026, and each year thereafter: (i) all electric service agreements or equivalent contracted demand with data centers, including their electric load, from all electric utility providers; (ii) all data center water usage information from municipal or private water providers; and (iii) permitting information on data center generators and tier of each generator. Every data center in the Commonwealth shall produce the required information upon request.

2. The State Corporation Commission shall provide at least three options or mechanisms to produce revenue from the data centers in the Commonwealth using the collected data and/or other data the Commission deems relevant to the Data Center Workgroup of the Joint Subcommittee on Tax Policy by October 15, 2026.

3. The State Corporation Commission shall evaluate and develop options for increasing the use of battery storage as a backup power source for data centers. The Commission shall report its findings by November 1, 2026."

Explanation:

(This amendment requires the State Corporation Commission to collect and aggregate information related to data center electric service agreements, water usage, and permitting for generators and tier type. The amendment also requires the Commission to provide recommended options or mechanisms to produce revenue from data centers.)

Item 478 #1s

Independent Agencies	FY26-27	FY27-28	
State Corporation Commission	$200,000,000	$0	GF

Language:

Page 550, line 2, strike "$558,582,934" and insert "$758,582,934".
Page 550, after line 33, insert:
"F.1. Out of this appropriation, $200,000,000 the first year from the general fund shall be provided to the Virginia Health Benefit Exchange (VHBE) and the State Corporation Commission to establish and administer a state-based premium assistance program to offset the expiration of enhanced federal premium tax credits and maintain affordable coverage for individuals purchasing health insurance through the state's exchange. The program shall provide state-funded premium subsidies for individuals purchasing qualified health plans through the VHBE to cap household premium contributions as a percentage of household income and shall prioritize individuals and families with household incomes below 400 percent of the federal poverty level (FPL). Within the available funding, the VHBE shall design the program to maintain pre-expiration premium affordability levels and to stabilize enrollment. The VHBE is authorized to implement this program for the 2026 plan year through a special enrollment period, if feasible and practical. Any funding not used for the program in plan year 2026 shall be used to support the program in plan year 2027. The VHBE shall administer the program in a manner that minimizes administrative burden, promotes continuous coverage, and stabilizes the individual health insurance market.
2. On or before December 1 of each year, VHBE shall report to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on program enrollment, premium reductions achieved, and program expenditures.
3. Any unexpended balance on June 30, 2027, shall not revert to the general fund but shall be carried forward and reappropriated in fiscal year 2028."

Explanation:

(This amendment provides $200.0 million GF the first year to offset the impact of federal enhanced tax credits for health insurance plans purchased through the marketplace. The federal enhanced credits expired on December 31, 2025.)

Item 479 #1s

Independent Agencies

Virginia Lottery — Language

Language:

Page 551, after line 27, insert:
"F. The Lottery shall develop an implementation plan to require all lottery terminals to possess proper age verification software to ensure that a consumer is 18 years of age or older. For purposes of this item, "terminal" means a device that is authorized by the Department to function in an interactive mode with the Department's computer gaming system or systems for the purpose of issuing tickets, plays, or an electronic facsimile thereof, and entering, receiving, and processing game-related transactions. Such plan may consider implementing age verification in lottery terminals based on the normal replacement schedule of terminals. The implementation plan shall: (i) develop a phased schedule to implement age verification software in terminals, (ii) establish a completion date for implementation, (iii) include cost estimates for such plan, (iv) provide alternative implementation schedules for consideration, and (v) recommend any necessary changes to statute or the appropriation act to implement the plan. No later than October 1, 2026, the Director of the Virginia Lottery shall report the implementation plan to the Governor and Chairs of the House Committees on General Laws and Appropriations and the Senate Committees on General Laws and Technology and Finance and Appropriations. The Virginia Lottery Board shall include the costs of such implementation plan in the revenue estimates developed and submitted to the Governor in accordance with Title 2.2 of the Code of Virginia and proceed only after a forecast is adopted by a general appropriation act that includes the costs of such implementation plan."

Explanation:

(This amendment directs Lottery to develop an implementation plan to require all lottery terminals to possess proper age verification software to ensure that a consumer is 18 years of age or older.)

Item 481 #1s

Independent Agencies

Commonwealth Savers Plan — Language

Language:

Page 552, strike lines 14 through 18.

Explanation:

(This amendment removes language in the introduced budget authorizing the transfer of $75.0 million a year from the actuarial surplus of the Defined Benefit 529 Programs to the State Council of Higher Education for Virginia's Virginia Military Survivors and Dependents financial aid program.)

Item 488 #1s

Independent Agencies	FY26-27	FY27-28	
Virginia Workers' Compensation Commission	$130,000	$100,000	GF

Language:

Page 555, line 26, strike "$15,826,107" and insert "$15,956,107".
Page 555, line 26, strike "$15,826,107" and insert "$15,926,107".

Explanation:

(This amendment provides $130,000 GF the first year and $100,000 GF the second year to the Virginia Worker’s Compensation Commission to support legislation regarding the Virginia Sexual Assault Forensic Examiner Coordination Program and the Criminal Injuries Compensation Fund for costs associated with the reimbursement to providers for services performed during medical forensic examinations.)

Item 489 #1s

Independent Agencies	FY26-27	FY27-28	
Virginia Alcoholic Beverage Control Authority	$5,315,818	$3,960,543	NGF
	31.00	31.00	FTE

Language:

Page 556, line 15, strike "$35,896,216" and insert "$41,212,034".
Page 556, line 15, strike "$35,896,216" and insert "$39,856,759".
Page 556, after line 47, insert:
"H. The State Comptroller shall transfer $1,400,000 in unexpended balances at the Department of Taxation, which were previously appropriated from the Electronic Nicotine Delivery Systems Fund, to the Virginia Alcoholic Beverage Control Authority no later than July 15, 2026 to support implementation of Chapter 1021 and Chapter 1044, 2026 Acts of Assembly.

I. Out of this appropriation, $1,737,272 the first year from the Electronic Nicotine Delivery

Systems Fund, which shall be transferred from the Office of the Attorney General no later than July 15, 2026, shall be used to support costs associated with implementation on Senate Bill 620 of the 2026 Session of the General Assembly.

J. Notwithstanding the provisions of § 4-3.02 of this act, the State Comptroller may authorize an interest-free treasury loan of up to $2,000,000, subject to the approval of the Secretary of Finance, for the Alcoholic Beverage Control Authority to fund costs associated with implementation of Senate Bill 620 of the 2026 Session of the General Assembly."

Explanation:

(This amendment provides $5.3 million NGF the first year and $4.0 million NGF the second year for 31.0 positions each year to implement the provisions of Chapter 1021 and Chapter 1044, 2026 Acts of Assembly, which establish a permitting and enforcement framework for retail tobacco permits, overseen by the Alcoholic Beverage and Control Authority. The source of funding in the first year includes $3.1 million NGF from JUUL Settlement funds transferred from the Department of Taxation and the Office of the Attorney General. The source of the remainder of the NGF appopriation is estimated fee revenue from retail tobacco permits.)

Item 491 #1s

Independent Agencies	FY26-27	FY27-28	
Virginia Cannabis Control Authority	$0	($4,028,024)	GF
	$18,339,982	$19,965,611	NGF
	99.00	99.00	FTE

Language:

Page 557, line 31, strike "$6,220,439" and insert "$24,560,421".
Page 557, line 31, strike "$6,220,439" and insert "$22,158,026".
Page 557, strike lines 36 to 39.
Page 557, after line 35, insert:
A. Notwithstanding the provisions of § 4-3.02 of this act, the State Comptroller shall authorize an interest-free treasury loan of up to $15,000,000 to fund costs associated with the creation and administration of a retail cannabis market in the Commonwealth, consistent with the provisions of Item 4-14 of this act. The Secretary of Finance may extend the repayment plan for any such interest-free treasury loan for a period of longer than twelve months as needed to support Authority costs associated with the administration and regulation of a retail cannabis market.
B. The Director, Department of Planning and Budget, in consultation with Virginia Department of Agriculature Services and the Cannabis Control Authority, shall administratively adjust general fund amounts appropriated in Item 92, paragraph E, of this act as necessary to support the transfer of employees and any associated operating costs from the Virginia Department of Agriculture and Consumer Services to the Virginia Cannabis Control Authority in accordance

with Enactment Clause 26 of Item 4-14 of this act. In addition, the State Comptroller, in consultation with the Virginia Department of Agriculture Services and the Cannabis Control Authority, shall identify uncommitted nongeneral fund cash balances of up to $3,850,000 that are (i) associated with regulation and enforcement of regulated hemp products sold at retail; and (ii) that are available for transfer to the Cannabis Control Authority. The Virginia Department of Agriculture and Consumer Services shall transfer such balances by July 1, 2027."

Explanation:

(This amendment provides $18.3 million NGF the first year and $20.0 million NGF the second year and authorizes a treasury loan to support implementation of the retail cannabis market pursuant to Item 4-14 of this act. The amendment also removes $4.0 million GF the second year, when it is projected that nongeneral fund revenue will be sufficient to cover the operating costs of the Authority. In addition, language directs the transfer of general fund appropriations and nongeneral fund cash balances from the Virginia Department of Consumer Services to the Cannabis Control Authority to align with the transfer of duties related to regulated hemp product regulation and enforcement pursuant to Item 4-14 of this act.)

Item C-0.1 #1s

Administration	**FY26-27**	**FY27-28**	
Department of General Services	$12,800,000	$0	GF

Language:

Page 568, after line 35, insert:

"OFFICE OF ADMINSTRATION

§ 2-0. DEPARTMENT OF GENERAL SERVICES (194)

C-0.1 Improvements: Inner Fort Monroe Utility Master Plan Improvements		$12,800,000	$0
Fund Sources:	General	$12,800,000	$0 "

A. 1. There is hereby appropriated $12,800,000 the first year from the general fund for replacement and upgrade of utility infrastructure at Fort Monroe. The Department of General Services shall act as the fiscal agent for the funds allocated to this capital project. The Fort Monroe Authority is authorized to use a portion of the funding to secure the services of a project manager for overseeing and coordinating the on-site efforts involving the various repairs and renovation activities at Fort Monroe. The project manager shall work in consultation and coordination with the Department of General Services.

2. The provisions of §§ 2-0 and 4-4.01 of this act and the provisions of § 2.2-1132, Code of Virginia, shall not apply to activity executed under this project."

Explanation:

(This amendment provides $12.8 million GF the first year to support Fort Monroe's replacement and upgrade of the state-owned utility infrastructure in the inner fort management zone. The Department of General Services will serve as the fiscal agent.)

Item C-0.2 #1s

Administration	**FY26-27**	**FY27-28**	
Department of General Services	$3,000,000	$0	GF

Language:

Page 568, after line 35, insert:

"C-0.2 Improvements: Improve African Landing Memorial Visitor Amenities and Landscape Action Plan		$3,000,000	$0
Fund Sources:	General	$3,000,000	$0 "

A. 1. There is hereby appropriated $1,500,000 the first year from the general fund to construct visitor amenities for the African Memorial Landing at Fort Monroe. The Department of General Services shall act as the fiscal agent for the funds allocated to this capital project. The Fort Monroe Authority is authorized to use a portion of the funding to secure the services of a project manager for overseeing and coordinating the on-site efforts involving the various repairs and renovation activities at Fort Monroe. The project manager shall work in consultation and coordination with the Department of General Services.

2. There is hereby appropriated $1,500,000 the first year from the general fund for development of the Landscape Action Plan to serve as a management framework for the public spaces at Fort Monroe. The plan shall include, but not be limited to: (i) identification of revenue generation activities from visitation while planning for parking, circulation, amenities, and site furnishings; (ii) management plans for sea level rise, resiliency, and ecological and environmental management; and (iii) vision and direction for the long-term success of Fort Monroe.

3. The provisions of §§ 2-0 and 4-4.01 of this act and the provisions of § 2.2-1132, Code of Virginia, shall not apply to activity executed under this project."

Explanation:

(This amendment provides $3.0 million GF to Fort Monroe Authority the first year to construct visitor amenities in the vicinity of the memorial to the first landing of enslaved Africans at Old Point Comfort and develop the landscape action plan. The Department of General Services will serve as the fiscal agent.)

Item C-0.3 #1s

Administration	**FY26-27**	**FY27-28**	
Department of General Services	$33,000,000	$0	GF

Language:

Page 568, after line 35, insert:

"C-0.3 Planning: Construct new state office building and parking deck(18765)		$33,000,000	$0
Fund Sources:	General	$33,000,000	$0 "

Explanation:

(This amendment provides $33.0 million GF the first year to support demolition of the VDOT Annex, and planning through working drawings of the new state office building at the VDOT Annex location.)

Item C-0.4 #1s

Administration	**FY26-27**	**FY27-28**	
Department of General Services	$10,000,000	$0	GF

Language:

Page 568, after line 34, insert:

"C-0.4 Improvements: Demolish Central Virginia Training Center Structures and Remediate Property (18799)		$10,000,000	$0
Fund Sources:	General	$10,000,000	$0 "

Explanation:

(This amendment provides $10.0 million GF the first year to increase the existing project to demolish and remediate property at Central Virginia Training Center.)

Item C-1 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Christopher Newport University	$5,542,078	$0	GF

Language:

Page 568, line 39, strike "$4,457,922" and insert "$10,000,000".

Explanation:

(This amendment provides an additional $5.5 million GF the first year at Christopher Newport University to address deferred maintenance for a total of $10.0 million GF.)

Item C-2 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
George Mason University	$15,000,000	$0	GF

Language:

Page 568, line 45, strike "$20,250,000" and insert "$35,250,000".

Explanation:

(This amendment provides an additional $10.0 million GF the first year at George Mason University to address deferred maintenance for a total of $35.3 million GF.)

Item C-11.1 #1s

Education: Higher Education	**FY26-27**	**FY27-28**	
Virginia Community College System	$3,500,000	$0	NGF

Language:

Page 569, after line 37, insert:

"C-11.1 Acquisition: Acquire Property Laurel Ridge Community College Educational Foundation		$3,500,000	$0
Fund Sources:	Higher Education Operating	$3,500,000	$0 "

The Virginia Community College System is hereby authorized to acquire, by purchase, certain real property and improvements located adjacent to the Laurel Ridge Community College campus, consisting of approximately 4.8 acres of land and including an existing facility and the associated site and adjacent parking area. The acquisition of such real property shall be from the Laurel Ridge Community College Educational Foundation and shall constitute a partial gift to the Commonwealth, whereby the purchase price shall be established at an amount below the appraised fair market value of the property. The consideration paid shall be derived exclusively from nongeneral fund sources available to Laurel Ridge Community College, including auxiliary enterprise reserves and revenues generated from noncredit workforce programs."

Explanation:

(This amendment authorizes $3.5 million NGF the first year for the the community college system to acquire real property from the the Laurel Ridge Community College Educational Foundation.)

Item C-12.1 #1s

Education: Other	**FY26-27**	**FY27-28**	
Jamestown-Yorktown Foundation	$11,000,000	$0	GF

Language:

Page 570, after line 8, insert:

"§ 2-6.10. JAMESTOWN-YORKTOWN FOUNDATION (425)

C-12.1 Improvements: Address deferred maintenance		$11,000,000	$0
Fund Sources:	General	$11,000,000	$0 "

Explanation:

(This amendment provides $11.0 million GF the first year to address deferred maintenance at the Jamestown-Yorktown Foundation.)

Item C-15 #1s

Natural and Historic Resources

Department of Conservation and Recreation — Language

Language:

Page 570, strike lines 39 through 45 and insert "Omitted."
Page 571, strike lines 1 through 31.

Explanation:

(This amendment defers acquisition of a future state park.)

Item C-15.1 #1s

Natural and Historic Resources	**FY26-27**	**FY27-28**	
Department of Conservation and Recreation	$40,000,000	$0	GF

Language:

Page 571, after line 31, insert:

"C-15.1 Improvements: State Park Deferred Maintenance (18654)		$40,000,000	$0
Fund Sources:	General	$40,000,000	$0 "

Explanation:

(This amendment provides $40.0 million GF the first year to address deferred maintenance at the state parks.)

Item C-15.2 #1s

Natural and Historic Resources	FY26-27	FY27-28	
Department of Conservation and Recreation	$2,000,000	$0	NGF

Language:

Page 571, after line 31, insert:

"C-15.2 Acquisition: Acquisition of land for State Parks (18236)		$2,000,000	$0
Fund Sources:	General	$0	$0
	Special	$2,000,000	$0
	Federal Trust	$0	$0 "

It is the intent of the General Assembly that any acquisitions by gift, transfer or purchase, be limited to in-holdings or contiguous properties, consistent with the authorization contained in Item 363 and be limited to property within or contiguous to Seven Bends, Natural Tunnel, Sailor's Creek Battlefield, Shenandoah River, Wilderness Road, Westmoreland, High Bridge Trail, Grayson Highlands, Staunton River, Kiptopeke, Caledon, New River Trail, Natural Bridge, Mayo River, Clinch River, Southwest Virginia Museum, Machicomoco, Middle Peninsula, Sweet Run, Fairy Stone, False Cape, Staunton River Battlefield, James River, Hungry Mother, Hayfields, Widewater, Culpeper Battlefields, Leesylvania, and York River."

Explanation:

(This amendment authorizes acquiring in-holdings or contiguous properties at existing state parks.)

Item C-18.1 #1s

Public Safety and Homeland Security	FY26-27	FY27-28

Department of Corrections	$25,000,000	$15,000,000	GF

Language:

Page 572, after line 3, insert:

"OFFICE OF PUBLIC SAFETY AND HOMELAND SECURITY

§2-9. 10 DEPARTMENT OF CORRECTIONS (799)

C-18.1 Improvements: HVAC Improvements and Installations		$25,000,000	$15,000,000
Fund Sources:	General	$25,000,000	$15,000,000 "

"Out of this appropriation, $25,000,000 the first year is provided for the department to conduct necessary improvements at Nottoway Correctional Center to install adequate heating, ventilation, and air conditioning and $15,000,0000 the second year shall be used for heating, ventilation, and air conditioning in correctional facilities. The Department of Corrections shall submit a plan for approval by the Six-Year Capital Outlay Plan Advisory Committee on the planned projects in the second year."

Explanation:

(This amendment provides $25.0 million GF the first year for an umbrella project to upgrade correctional facilities that do not currently have fully-operable air conditioning. For this first installment of funding, language directs funding to Nottoway Correctional Center and $15.0 million GF the second year for additional work.)

Item C-19.1 #1s

Transportation	**FY26-27**	**FY27-28**
Department of Motor Vehicles		

Language:

Page 572, after line 7, insert:

"C-19.1 Improvements: Renovate DMV Headquarters (18712)	$0	$0

The Commissioner of the Department of Motor Vehicles (DMV), in consultation with the Director of the Department of General Services (DGS), shall study and determine the feasibility of renovating the current Department of Motor Vehicles Headquarters located at 2300 West Broad Street in the City of Richmond, as authorized in Item C-34 of Chapter 2, 2024 Acts of Assembly, Special Session I, and amended by Chapter 725, 2025 Acts of Assembly. The study shall evaluate and identify the most cost-beneficial option, including renovation of the existing headquarters or acquisition and renovation of a replacement headquarters building and customer service center. If the most cost-beneficial option for the headquarters building is not suitable to house a customer service center serving the central Richmond area, the study shall identify a suitable alternative option for a customer service center to serve customers in the central Richmond area. DMV shall report the results of the study to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by October 15, 2026."

Explanation:

(This amendment directs the Department of Motor Vehicles (DMV) and the Department of General Services to study and identify the most cost-beneficial option to either renovate or replace the current DMV headquarters.)

Item C-26 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Capital Outlay	$5,000,000	$5,000,000	GF

Language:

Page 573, line 11, strike "$200,000,000" and insert "$205,000,000".
Page 573, line 11, strike "$200,000,000" and insert "$205,000,000".
Page 573, line 17, strike the first instance "2,712,382" and insert "2,692,382".
Page 573, line 23, strike the first instance "9,935,728" and insert "9,955,728".
Page 573, after line 16, insert "General Assembly of Virginia (101) 18812 $5,000,000 $5,000,000".
Page 575, after line 33, insert:
"4. Out of amounts provided in this Item, the Department of General Services is authorized to purchase furniture for the executive cottage at the State Military Reservation."
Page 576, after line 32, insert:
"N. The amount in this Item allocated for the General Assembly of Virginia is designated to maintain buildings controlled by the General Assembly as approved by the Clerks of the House and Senate. Amounts provided in this Item to the Department of General Services may be used as needed, and upon direction of the Clerks of the House and Senate, to assist with maintenance reserve projects to address HVAC/air quality, occupancy, and security improvements necessary in buildings controlled by the General Assembly. Any maintenance reserve project for a building controlled by the General Assembly shall be exempt from restrictions applied to maintenance reserve funds."

Explanation:

(This amendment authorizes the Department of General Services (DGS) to purchase furniture for the executive cottage at the State Military Reservation, provides maintenance reserve funding to the General Assembly, and permits DGS to use maintenance reserve allocations, in consultation with the Clerks of the House and Senate, on maintenance reserve projects in buildings controlled by the General Assembly.)

Item C-27 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Capital Outlay	$10,267,000	$0	GF

Language:

Page 576, line 34, strike "$39,893,000" and insert "$50,160,000".
Page 576, line 36, strike "$39,893,000" and insert "$50,160,000".
Page 576, after line 45, insert:
"213 Norfolk State University Science Building Replacement (18385)".

Explanation:

(This amendment provides $10.3 million GF the first year to the capital equipment pool and includes Norfolk State University's Science Building Replacement in the pool.)

Item C-28 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Capital Outlay	$6,214,338	$0	GF

Language:

Page 577, line 4, strike "$13,989,561" and insert "$20,203,899".
Page 577, after line 20, insert:
"215 University of Mary Washington Renovate Simpson Library
268 Virginia Institute of Marine Science Replace Fisheries Science Research Building".

Explanation:

(This amendment authorizes detailed planning for the replacement of the Fisheries Science Research Building at the Virginia Institute of Marine Science and renovation or replacement of Simpson Library at the University of Mary Washington.)

Item C-29 #1s

Central Appropriations	**FY26-27**	**FY27-28**	
Central Capital Outlay	$492,965,294	$150,000,000	GF
	($1,583,013)	($150,000,000)	NGF

Language:

Page 577, line 36, strike "$1,336,094,534" and insert "$1,827,476,815".

Page 577, line 47, strike "1,109,976,618" and insert "844,807,618".
Page 578, line 8, strike "360,061,238" and insert "853,026,532".
Page 578, line 8, after "year", insert: "and $150,000,000 the second year".
Page 578, line 9, strike "889,976,618" and insert "774,807,618".
Page 578, line 9, strike "220,000,000" and insert "70,000,000".
Page 578, line 11, strike "86,056,678" and insert "199,643,665".
Page 578, after line 19, insert:
"207 University of Virginia Construct Center for the Arts (18602)
208 Virginia Polytechnic Institute and State University Renovate Derring Hall (18674)".
Page 578, strike lines 33 through 36 and insert:
"214 Longwood University Replace and Renovate Building Systems in Coyner Hall".
Page 578, after line 38, insert:
"216 James Madison University Expand College of Health and Behavioral Studies Building (18739)".
Page 578, after line 46, insert:
"246 University of Virginia's College at Wise Renovate Darden Hall (18760)".
Page 578, after line 56, insert:
"935 Roanoke Higher Education Authority Replace windows".

Page 579, strike lines 5 through 10, and insert:

"D.1. The scope of the Department of General Services (DGS) project for the Commonwealth Courts Building (194-18537), as previously authorized in Item C-1.30, Chapter 552, 2021 Acts of Assembly, Special Session I, and amended in Item C-2, Chapter 1, 2023 Acts of Assembly, Special Session I, and in Item C-2 of Chapter 725 of the 2025 Acts of Assembly, is hereby revised to include improvements and safety and security enhancements to be constructed or installed within the sidewalk areas lying within the northern portion of the right-of-way of East Main Street (between North 9th Street and North 10th Street), within the eastern portion of North 9th Street (between East Main Street and Bank Street), which rights-of-way are owned by the City of Richmond (City), and more specifically as determined by the DGS project team and in collaboration with the City with respect to such rights-of-way. Accordingly, the City and DGS shall enter into a deed of easement or other proper instruments, in such form approved by the Offices of the City Attorney and of the Commonwealth Office of the Attorney General, whereby the City, without charge to the Commonwealth, shall grant to DGS, as agent of the Commonwealth, where mutually agreeable across, over, under, and above the referenced right-of-way of East Main Street and North 9th Street, (a) the perpetual and irrevocable right, privilege and easement to construct, install, use, operate, inspect, maintain, repair, replace, rebuild, improve, alter and remove (i) any construction or installation contracted for by DGS either as part of the referenced construction projects or at any time with respect to safety and security enhancements around the perimeter of Capitol Square deemed appropriate by DGS, and (ii) all equipment, accessories, utilities and appurtenances necessary to support such construction projects and such incorporation of safety and security enhancements, (b) the perpetual and irrevocable right, privilege and easement to inspect, maintain, repair, replace and rebuild the sidewalks and elements thereof (but not traffic control devices and signage or street lighting located thereupon) of the referenced right-of-way of East Main Street and North 9th Street, and (c) any necessary or appropriate temporary construction easements, upon terms approved by the Mayor of Richmond and the Governor, pursuant to § 2.2-1149, Code of Virginia; approval by Richmond City Council shall not be required.

2. The City, without expending City funds, shall cooperate with DGS (i) to support the referenced construction project work and incorporation of safety and security enhancements at and along East Main Street and North 9th Street, (ii) to relocate any utilities located in the agreed upon easement area, if necessary, and (iii) to coordinate any closure or other traffic flow controls of East Main Street and North 9th Street during the performance of the construction projects and the incorporation of any safety and security features that will enhance safety and security around the perimeter of Capitol Square. At no time shall DGS make any permanent changes to the East Main Street or North 9th Street rights-of-way without the prior approval of the Chief Administrative Officer of the City or the City hinder or delay construction of the referenced construction projects. Notwithstanding the foregoing, DGS may commence the construction project work and safety and security enhancements within the referenced right-of-way of East Main Street and North 9th Street prior to the execution of a deed of easement or other proper instruments, if deemed necessary by DGS to avoid delay in the implementation of the construction project work or safety and security enhancements."
Page 579, after line 10, insert:
"E. The Director, Department of Planning and Budget, shall transfer to this item the following balances from existing projects: (i) $7,500,000 in anticipated savings from project 778-18167, Expand and Renovate Current or Construct New Central Forensic Laboratory and Office of the Chief Medical Examiner, and (ii) the full balance of project 194-18363, Monroe Building Critical Systems Replacements, estimated at $9,761,906."

Explanation:

(This amendment authorizes six capital projects for full construction funding, including University of Virginia Construct Center for the Arts, Virginia Tech Renovate Derring Hall, James Madison University Expand College of Health and Behavioral Studies Building, Longwood University Replace and Renovate Building Systems in Coyner Hall, UVA Wise Renovate Darden Hall and Roanoke Higher Education Authority Replace Windows.)

Item C-32 #1s

Central Appropriations

Central Capital Outlay | Language

Language:

Page 580, after line 8, insert:
"B.1. The scope and title of the Department of General Services project to "Provide water infrastructure to state facilities in Nottoway County, Virginia" (194-18516), as previously

authorized in Item C-67 of Chapter 1289 of the 2020 Acts of Assembly, and amended in Item C-78 of Chapter 1 of the 2023 Acts of Assembly Special Session I, is hereby amended and changed to "Replace water transmission line to state facilities in Nottoway County, Virginia (194-18516)". The scope of the project shall be to replace the main water transmission line and to explore increasing water capacity via wells to support the water needs of Piedmont Geriatric Hospital, the Virginia Center for Behavioral Rehabilitation (Phases 1 and 2), and Nottoway Correctional Center. The Department shall proceed expeditiously to satisfy the scope of the project as described.

2. Funds appropriated to the 2022 Capital Supplement Pool in Item C-49 of this act and remaining from previous appropriation to the 2022 Capital Supplement Pool shall be used to support the cost of this project if needed beyond amounts originally assumed and available from the 2020 VPBA Capital Construction Pool to execute the project as described in paragraph B.1. of this Item.

3. The Department is authorized to construct, provide, and improve infrastructure as necessary to implement the project, to acquire by purchase, gift, or power of eminent domain such lands, structures, rights-of-way, franchises, easements, and other interests in lands of any person, association, partnership, corporation, railroad, public service, public utility, municipality or political subdivision, all without obtaining the consent or permission of any locality or public body. Condemnation proceedings authorized by the preceding sentence shall be conducted, at the option of the Department, under the provisions of Chapter 2 or Chapter 3 of Title 25.1 of the Virginia Code. The ownership, construction, and operation of the infrastructure shall not be subject to any state or local permitting requirements or similar ordinances or regulations. Upon completion of construction, the Department is authorized to transfer ownership and/or operation of all or any part of the property to one or more locality, which shall not require the consent or permission of any locality or public body. The exercise of the power of eminent domain for the purposes provided herein shall be and is declared to be a public use of such property.

4. The Virginia Resources Authority (VRA) and the Department of Health (VDH) shall assist the Town of Crewe with exploring and evaluating funding options to upgrade, repair, or replace water infrastructure to increase water capacity, including but not limited to, identifying grants and revolving loans. Upon request, other state agencies shall provide assistance as needed to support this effort. No later than January 1, 2027, VRA and VDH shall provide information to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the funding options for additional infrastructure upgrades needed to provide water for the Town of Crewe."

Explanation:

(This amendment amends the scope of the water project for three state facilities in Nottoway County to replace a water transmission line and the exploration of increasing water capacity by creating wells, and provides supplemental funding to ensure completion of the project's scope as amended. This project was originally authorized and funded in the 2020 Virginia Public Building Authority Construction Pool.)

Item C-37 #1s

Central Appropriations

Central Capital Outlay — Language

Language:

Page 581, line 26, strike "7,151,698.98" and insert "$389,793.98".
Page 581, strike lines 31 through 33.
Page 581, line 34, strike "3" and insert "2".
Page 581, line 37, strike "4" and insert "3".

Explanation:

(This amendment removes a transfer appropriation between capital projects as a companion amendment transfers the capital appropriation in Item C-29.)

Item C-39 #1s

Independent Agencies	**FY26-27**	**FY27-28**	
State Corporation Commission	$0	$94,000,000	NGF

Language:

Page 583, line 8, strike "$0" and insert "$94,000,000".
Page 583, strike lines 9 through 13, and insert:
"A. Notwithstanding any provision of law to the contrary, the State Corporation Commission (SCC) may allocate its nongeneral fund balances to fund its capital project as initiated in Item C-79, Chapter 552, 2021 Acts of Assembly, Special Session I. Commonwealth bond financing shall not be authorized to fund any of the project's capital costs. The amounts provided in this Item are in addition to the SCC nongeneral fund appropriation in Chapter 522, 2021 Acts of Assembly, Special Session I. The scope of the project includes the renovation of the Tyler Building and leasing swing space for the SCC during the renovation."

Explanation:

(This amendment provides $94.0 million NGF the second year for the State Corporation Commission to renovate the Tyler Building. This would increase the authorized funding to $115.6 million NGF to support replacement of roofing and mechanical systems and interior renovations.)

Item 3-1.01 #1s

Transfers

Interfund Transfers Language

Language:

Page 589, line 49, strike "$31,000,000" and "$31,000,000" and insert: "$36,000,000" and "$36,000,000".

Explanation:

(This amendment increases the estimated transfer to the general fund from the State Racing Operations Fund by $5.0 million each year.)

Item 3-1.01 #2s

Transfers

Interfund Transfers Language

Language:

Page 589, line 38, after "estimated at" strike "$500,000" and insert "$4,616,585".

Explanation:

(This amendment reflects a transfer to the general fund of excess amounts in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund.)

Item 3-1.01 #3s

Transfers

Interfund Transfers Language

Language:

Page 587, line 11, strike the first "$877,725,168" and insert "$895,725,168".
Page 587, line 14, strike "$877,725,168" and insert "$895,725,168".

Explanation:

(This amendment increases fiscal year 2027 Lottery Proceeds by $18.0 million for estimated fiscal year 2026 residual profits.)

Item 3-1.01 #4s

Transfers

Interfund Transfers Language

Language:

Page 590, after line 12, insert:
"LL. On or before June 30, the State Comptroller shall transfer an estimated $1,839,993 the first year to the general fund from the Property Analytics Firm Infrastructure Grant Fund (02014). The Comptroller shall transfer any additional interest accrued to the Fund in the first year.
MM. Notwithstanding § 9.1-110 of the Code of Virginia, on or before June 30, the State Comptroller shall transfer $10,000,000 the first year to the general fund from the School Resource Officer Incentive Grants Fund (09035).
NN. Notwithstanding § 22.1-349.2 of the Code of Virginia, on or before June 30, the State Comptroller shall transfer an estimated $10,670,000 the first year to the general fund from the College Partnership Laboratory School Fund (09063). The Comptroller shall transfer any additional interest accrued to the Fund in the first year.
OO. On or before June 30, the State Comptroller shall transfer an estimated $99,500,000 the first year to the general fund from the 2025 Income Tax Rebate Fund (09671). The Comptroller shall transfer any additional interest accrued to the Fund in the first year.
PP. On or before July 15 the first year, the State Comptroller shall transfer $80,775,153 to the general fund from the Virginia Business Ready Sites Acquisition Fund (09124). The Comptroller shall transfer any additional interest accrued to the Fund in the first year."

Explanation:

(This amendment directs the transfer of $202.8 million in unused balances and interest earnings from nongeneral funds to the general fund.)

Item 3-1.01 #5s

Transfers

Interfund Transfers Language

Language:

Page 588, line 15, strike "$12,598,252" and insert "$13,394,049".

Explanation:

(This amendment increases the transfer from the general fund to the Game Protection Fund by $795,797 in fiscal year 2027 to reflect the costs to the Department of Wildlife Resources of providing a two percent compensation increase as proposed in House Bill 30 as introduced. A companion amendment to Item 373 makes a corresponding adjustment to the transfer from the Game Protection Fund to DWR.)

Item 3-1.01 #6s

Transfers

Interfund Transfers | Language

Language:

Page 590, after line 12, insert:
"LL. Notwithstanding the provisions of § 2.2-1156 or any other provision of law, the Department of General Services shall sell the Department of Forensic Laboratory at 700 North 5th Street, Richmond, VA 23219. The Department shall sell the building once the Department of Forensic Science notifies the Department that it no longer has an operational need for the facility after occupying the new central laboratory facility in Hanover. Notwithstanding the provisions of § 2.2-1156 or any other provision of law, after satisfying subsection G of Item 267 of this Act, the proceeds from the sale of this property shall be deposited in the general fund of the state treasury.
MM. Notwithstanding the provisions of § 2.2-1156 or any other provision of law, the Department of General Services shall sell the James Monroe Building and, after satisfying subsection G of Item 267 of this Act, the proceeds from the sale of this property shall be deposited in the general fund of the state treasury."

Explanation:

(This amendment directs the Department of General Services to sell the Department of Forensic Science's central laboratory facility and the James Monroe Building.)

Item 3-1.01 #7s

Transfers

Interfund Transfers | Language

Language:

Page 590, after line 12, insert:
"LL. The Comptroller shall establish a Cannabis Control Authority Enterprise Fund in accordance with the provisions of **Item XXX** of this act. Transfers of net profits from the Cannabis Control Authority Enterprise Fund to the general fund shall be made four times a year, and such transfers shall be made within fifty (50) days of the close of each quarter. The transfer of fourth quarter profits shall be estimated and made in the month of June. In the event actual net profits are less than the estimate transferred in June, the difference shall be deducted from the net profits of the next quarter and the resulting sum transferred to the general fund. Net profits are estimated at $16,100,000 the second year.

Explanation:

(This amendment directs the transfer of net profit in accordance with Item XXX of this act. Cannabis Control Authority net profits are estimated at $16.1 million in fiscal year 2028.)

Item 3-2.03 #1s

Working Capital Funds and Lines of Credit

Lines of Credit | Language

Language:

Page 591, strike line 43.

Explanation:

(This amendment removes a line of credit included in the introduced budget for the Department of Workforce Development and Advancement, which is unnecessary.)

Item 3-4.01 #1s

Auxiliary Enterprises and Sponsored Programs in Institutions of Higher Education

Auxiliary Enterprise Investment Yields | Language

Language:

Page 592, after line 41, insert:
"C. Annually or as required, the Auditor of Public Accounts, or his legally authorized representative, shall perform attestation services over each higher education institution's Statement of Revenues and Expenses of Intercollegiate Athletics Programs to satisfy the financial reporting requirements of the National Collegiate Athletic Association (or comparable intercollegiate athletics governing body). The cost of such attestation services shall be borne by the intercollegiate athletics program at each institution."

Explanation:

(This amendment provides that the Auditor of Public Accounts perform attestation services over each higher education institution’s Statement of Revenues and Expenses of Intercollegiate Athletics Programs to satisfy the financial reporting requirements of the National Collegiate Athletic Association and that the cost of such attestation services be borne by the intercollegiate athletics program at each institution.)

Item 3-4.01 #2s

Auxiliary Enterprises and Sponsored Programs in Institutions of Higher Education

Auxiliary Enterprise Investment Yields | Language

Language:

Page 592, line 33, after 1. insert "a."
Page 592, line 35, after "Accounts." insert "b."

Explanation:

(This amendment is technical in nature and clarifies existing budget language related to auxiliary enterprise programs.)

Item 3-5.03 #1s

Adjustments and Modifications to Tax Collections

Implementation of Chapter 3, Acts of Assembly of 2004, Special Session I	Language

Language:

Page 593, line 9, strike "620,506,775" and insert "627,906,775".
Page 593, line 9, strike "636,416,421" and insert "644,016,421".

Explanation:

(This amendment increases the K-12 sales tax transfer to the general fund by $7.4 million in FY 2027 and $7.6 million in FY 2028 from the sales and use tax reforecast and estimated increase from retail cannabis sales.)

Item 3-5.14 #1s

Adjustments and Modifications to Tax Collections

Provider Payment Rate Assessment	Language

Language:

Page 597, line 15, after "any", insert "rural".
Page 597, line 15, after "operational in the", insert "rural".
Page 597, line 16, after "2026.". insert:
"For the purposes of this Item, rural hospital is the same as defined by the Centers for Medicare and Medicaid Services."

Explanation:

(This amendment modifies the requirement that the Department of Medical Assistance Services not provide enhanced payments to any hospital that does not currently operate a labor and delivery unit that was operational in the hospital on January 1, 2026. This amendment limits the requirement to rural hospitals.)

Item 3-6.06 #1s

Adjustments and Modifications to Fees

Language

Language:

Page 599, after line 37, insert:
"**§ 3-6.06 DATA CENTER STATE IMPACT FEE**
A. Beginning on and after January 1, 2027, there is hereby levied and imposed a state impact fee upon every generator that is both (i) permitted by the Department of Environmental Quality and (ii) utilized or operated by a data center as follows:

1. $45.00 per permitted kWe on any Tier 1 and Tier 2 generators;
2. $37.00 per permitted kWe on any Tier 2 backup generator retrofitted to be a Tier 4 equivalent backup generator, Tier 3 generator, and any generator powered by natural gas; and,
3. $35.00 per permitted kWe on any Tier 4 generator or any other non-renewable generator used by a data center.

B. As used in this Item, unless the context clearly shows otherwise:
"Data center" means a facility whose primary services are the storage, management, and processing of digital data and is used to house (i) computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems; (ii) systems for monitoring and managing infrastructure performance; (iii) equipment used for the transformation, transmission, distribution, or management of at least one megawatt of capacity of electrical power and cooling, including substations, uninterruptible power supply systems, all electrical plant equipment, and associated air handlers; (iv) Internet-related equipment and services; (v) data communications connections; (vi) environmental controls; (vii) fire protection systems; and (viii) security systems and services.
"Diesel oxidation catalyst" means a flow-through exhaust device that contains a honeycomb structure covered with a layer of chemical catalyst containing small amounts of precious metal such as platinum or palladium that interact with and oxidize pollutants, including carbon monoxide and unburned hydrocarbons, in the exhaust stream, thereby reducing carbon monoxide emissions.
"Diesel particulate filter" means an emission control technology that reduces particulate matter emissions by trapping the particles in a flow filter substrate and periodically removes the collected particles by either physical action or by oxidizing or burning off the particles in a process called regeneration.
"Engine-generator set" or "gen-set" means the combination of an electrical generator and an engine mounted together to form a single piece of equipment.
"Selective catalytic reduction" means a control device that reduces the exhaust gas concentration of nitrogen oxides by injecting an ammonia solution or urea into the exhaust gas

stream, which in the presence of a catalyst, reacts with the nitrogen oxides to form nitrogen gas and water vapor.
"Tier 4 equivalent" means a gen-set with a selective catalytic reduction system or equivalent for nitrogen oxides control, a diesel oxidation catalyst system or equivalent for carbon monoxide control, and a diesel particulate filter or equivalent for particulate matter control.
C. The impact fee imposed by this Item shall be collected quarterly by the Department of Taxation, as provided by guidelines promulgated by the Tax Commissioner, and shall be deposited to the general fund. The development of such guidelines by the Tax Commissioner shall be exempt from the provisions of the Administrative Process Act (Code of Virginia § 2.2-4000 et seq.) The Tax Commissioner shall adopt definitions to implement this Item in accordance with any guidelines or regulations adopted by the Department of Environmental Quality. Notwithstanding any other provision of law, the Department of Environmental Quality shall provide to the Department Taxation records of any air permits issued for data center generators to implement collection of this fee."

Explanation:

(This amendment establishes a tiered state impact fee upon every generator that is both (i) permitted by the Department of Environmental Quality and (ii) utilized or operated by a data center. The estimated fee revenue is $1.7 billion over the biennium.)

Item 4-1.05 #1s

Appropriations

Reversion of Appropriations and Reappropriations — Language

Language:

Page 606, line 9, after "Committees.", insert:
"In the final report, the Governor shall include an explanation for the reappropriated amounts in each state agency to include the original purpose of the appropriation, the reason the funds were not expended, and a description of how the agency plans to expend any reappropriated amounts."

Explanation:

(This amendment directs the Governor to include an explanation for any reappropriated amounts in each state agency to include the original purpose of the appropriation, the reason the funds were not expended, and a description of how the agency plans to expend any reappropriated amounts.)

Item 4-2.01 #1s

Revenues

Nongeneral Fund Revenues Language

Language:

Page 609, after line 12, insert:
"11. a) For institutions complying with paragraph B of § 23.1-1309 Code of Virginia, the annual report for the preceding fiscal year shall also be submitted to the Intercollegiate Athletics Review Commission, Governor, Senate Finance and Appropriations Committee, and House Appropriations Committee by July 1.
b) For institutions complying with paragraph C of § 23.1-1309 Code of Virginia, general fund appropriations or revenues from tuition and E&G fees shall not be used to fund intercollegiate athletics.
c) The Joint Legislative Audit and Review Commission shall study the provisions of § 23.1-1309 for the purpose of determining whether the provisions of this act should be amended permanently. In conducting the study, the Joint Legislative Audit and Review Commission shall: (i) consult with representatives of the governing boards of baccalaureate public institutions of higher education in the Commonwealth, representatives of intercollegiate athletics programs in the Commonwealth, and such other interested stakeholders deemed appropriate; (ii) evaluate approaches taken by other states to create sustainable funding models for intercollegiate athletics, iii) assess the local, regional, and statewide economic impact of college athletics; (iv) consider the impact of the provisions of § 23.1-1309 on intercollegiate athletics in the Commonwealth in light of evolving trends in intercollegiate athletics; and (v) assess the impact of federal regulatory or legislative proposals on college athletics in the Commonwealth. The Joint Legislative Audit and Review Commission shall submit a final report to the Intercollegiate Athletics Review Commission, Senate Finance and Appropriations Committee, the House Appropriations Committee by November 1, 2028.

Explanation:

(This language only amendment makes changes to § 23.1-1309, Code of Virginia, which governs intercollegiate athletics programs, and it directs a study by the Joint Legislative Audit and Review Commission to determine whether the Code provisions should be amended permanently. The language further outlines the parameters of the study.)

Item 4-3.03 #1s

Deficit Authorization and Treasury Loans

Long-term Leases Language

Language:

Page 614, strike lines 8 through 36 and insert:
"1. As part of their capital budget submission, all agencies and institutions of the Commonwealth proposing building projects or acquisition of property through a lease or financed purchase that may qualify as a capital project based on a lease agreement, as defined in

the guidance below, and that may be supported in whole, or in part, from appropriations provided for in this act, shall submit proposals to the Department of Planning and Budget through the capital budget request process.

2. A capital project based on a lease agreement is defined as meeting at least one of the following criteria: a.) The lease transfers ownership of the property to the lessee by the end of the lease term or contains a purchase option; b.) The lease arrangement is used to support the construction of a new facility.

3. The proposals shall be submitted in such form as the capital budget request instructions may prescribe. The State Treasurer shall be responsible for incorporating existing and authorized applicable lease agreements into the annual Debt Capacity Advisory Committee reports.

4. All lease agreements required to be treated as a capital budget request must be authorized in an Appropriation Act or other legislation except as otherwise provided in this section.

b. APPROVAL OF FINANCINGS:

1. For any project financed through the issuance of securities, the Treasury Board shall approve the terms and structure of such financing pursuant to § 2.2-2416, Code of Virginia.

2. For any project where the lease transfers ownership of the property to the lessee by the end of the lease or the lease is used to support the construction of a new facility, and for which costs will exceed $5,000,000 and which is financed through a lease or financed purchase transaction, the Treasury Board shall approve the financing terms and structure of such lease or financed purchase in addition to such other reviews and approvals as may be required by law. The State Treasurer shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, the Secretary of Finance, and the Director, Department of Planning and Budget, of any such action within five business days.

c. REPORTS: Not later than December 20 of each year, the Secretary of Finance and the Secretary of Administration shall jointly be responsible for providing the Chairs of the House Appropriations and Senate Finance and Appropriations Committees with recommendations involving proposed lease agreements subject to § 4-3.03 a.

d. This section shall not apply to leases or financed purchases that are funded entirely with nongeneral fund revenues and are entered into by public institutions of higher education that have a Management Agreement with the Commonwealth of Virginia pursuant to the Restructured Higher Education Financial and Administrative Operations Act. Furthermore, the Department of General Services is authorized to enter into leases for executive branch agencies provided that the resulting lease or financed purchase is funded entirely with nongeneral funds, is approved based on the requirements of § 4-3.03 b.1 and 2 above, and would not be considered tax supported debt of the Commonwealth.

e.1. The Governor may authorize proposed building projects or acquisition of property through a financed purchase that may qualify as a capital project based on a lease agreement as defined in § 4-3.03 a.2. above that are not authorized in an Appropriation Act or other legislation and support a program approved by the General Assembly through appropriations, under one or more of the following conditions: (i) the nongeneral fund share of the lease obligations does not exceed the agency's expected available nongeneral fund revenues; (ii) the general fund share of the annual lease obligations does not result in the agency exceeding its current available annual general fund appropriation.

2.The Secretary of Finance shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees within 30 days of the Governor's authorization pursuant to this subsection."

Explanation:

(This amendment updates provisions pertaining to the authorization of capital leases.)

Item 4-4.02 #1s

Capital Projects

Planning and Budgeting — Language

Language:

Page 620, after line 27, insert:
"c. In consultation with the Department of Planning and Budget, the Department of General Services (DGS) shall determine a fair and reasonable rate to charge to capital projects for fire safety inspections of state buildings. DGS shall enter into a memorandum of agreement to pass through capital outlay funding to the State Fire Marshal Office for the required fire safety inspections of state-owned buildings, that are undergoing construction and/or renovation."

Explanation:

(This amendment directs the Department of General Services to establish a rate to include in a capital project's soft cost to cover the necessary fire inspection at the State Fire Marshall Office.)

Item 4-5.04 #1s

Special Conditions and Restrictions on Expenditures

Goods and Services — Language

Language:

Page 628, line 26, after "federal law", insert "or state statute".

Explanation:

(This amendment reinserts "or state statute" into budget language in the General Provisions of the budget in order to allow coverage for abortion care in the case of fetal anomalies in accordance with state statute.)

Item 4-5.04 #2s

Special Conditions and Restrictions on Expenditures

Goods and Services — Language

Language:

Page 628, after line 31, insert:
"n. LOANS: No state agency shall make loans to non-state entities from general or nongeneral fund sources appropriated to the agency unless the authority to issue such loans is included in state statute or a general appropriation act."

Explanation:

(This amendment prohibits state agencies from making loans to non-state entities from general or nongeneral fund sources appropriated to the agency unless the authority to issue such loans is included in state statute or a general appropriation act.)

Item 4-5.05 #1s

Special Conditions and Restrictions on Expenditures

Nonstate Agencies, Interstate Compacts and Organizational Memberships — Language

Language:

Page 629, after line 7, insert:

"d. No state agency shall make a transfer to an affiliated nonprofit organization from funds appropriated under this act without prior approval by the General Assembly in the form of an explicit authorization in a general appropriation act. An affiliated nonprofit organization means any organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code that: (i) was established for the benefit of a state agency; (ii) includes the name of a state agency in its corporate name or public identity; (iii) has a majority of its governing board appointed by or the governing board includes one more officers or employees of a state agency; or (iv) operates under a formal affiliation agreement with a state agency. This provision is not applicable to institutions of higher education."

Explanation:

(This amendment clarifies that state agencies may not provide state funds to affiliated nonstate agencies unless explicitly authorized by the General Assembly.)

Item 4-5.08 #1s

Special Conditions and Restrictions on Expenditures

Disposition of Surplus Real Property — Language

Language:

Page 630, line 8, strike "Chairmen" and insert "Chairs".
Page 630, line 10, after "property.", insert:
"If either Chair objects to the conveyance, the planned conveyance shall only occur if authorized in an appropriation act."
Page 630, after line 21, insert:
"d. Notwithstanding § 2.2-1150, Code of Virginia, the conveyance of property in subsections A.1. and A.2. in § 2.2-1150, Code of Virginia, shall only occur if authorized in an appropriation act."

Explanation:

(This amendment clarifies property transfers among agencies, departments, and institutions and conveyances of property under § 2.2-1150, Code of Virginia, have to be authorized in an appropriation act.)

Item 4-6.04 #1s

Positions and Employment

Charges — Language

Language:

Page 641, strike lines 47 through 50, insert:

"Agencies with parking spaces for employees in state-owned facilities, except institutions of higher education, shall charge employees the Department of General Services' rate for such spaces. All revenues received from such charges shall be paid directly and promptly into the Department's special fund in the state treasury to be used to operate the state's parking program, including payment to agencies for operating and maintenance costs for the provision of vehicle parking spaces. Interest shall be added to the fund as earned."
Page 641, strike line 52.
Page 642, strike lines 1 though 7, and insert:
"Agencies occupying private sector leased or rental space in the metropolitan Richmond area, except institutions of higher education, shall be required to charge a fee to employees for vehicle parking spaces that are assigned to them or are otherwise available either incidental to the lease or rental agreement or pursuant to a separate lease agreement for private parking space at the established Department of General Services' rate for such spaces. All previously approved variances and exceptions are rescinded as of the date of this Act. All revenues derived from employees paying for parking spaces in leased facilities shall be paid directly and promptly into the Department's special fund in the state treasury to be used to operate the state's parking program."

Explanation:

(This amendment clarifies that all state employees parking in state-owned parking decks and surface lots are required to to be charged a parking fee to support the operating and maintenance costs of parking facilities. It also clarifies that employees with assigned parking in leased space are also required to pay the parking fee, which will help to offset the loss in parking fee revenue for state-owned facilities as more state agencies have moved to leased space in recent years.)

Item 4-7.01 #1s

Statewide Plans

Manpower Control Program — Language

Language:

Page 643, after line 52,
insert:
"h. The Department of Planning and Budget (DPB) shall, as part of the annual budget process, calculate the turnover and vacancy savings and rates for all executive branch state agencies for the most recently completed fiscal year and the projected savings for the current budget under consideration. Executive branch agencies shall provide an explanation of how turnover and vacancy savings were used in the prior fiscal year and how projected savings would be used in the budget under consideration. DPB shall include a report of this information, including turnover and vacancy savings and rates by agency along with an explanation of how the agency has used or plans to use such savings and shall include it as part of the requirements in § 2.2-1508, Code of Virginia."

Explanation:

(This amendment directs the Department of Planning and Budget to collect information on turnover and vacancy savings of executive branch agencies and report on it through the normal budget process.)

Item 4-8.03 #1s

Reporting Requirements

Local Governments	Language

Language:

Page 646, strike lines 45 through 52.
Page 647, strike lines 1 through 57.
Page 648, strike lines 1 through seven, and insert:
"a.1. The Auditor of Public Accounts shall use leading indicators based on financial data and relevant nonfinancial factors to develop criteria for a preliminary determination that a locality may be in fiscal distress. Such criteria shall be based upon information regularly collected by the Commonwealth or otherwise regularly made public by the locality and the locality's annual audited financial reporting required to be submitted to the Auditor. Information provided by the Virginia Retirement System, the Virginia Resources Authority, the Virginia Public Building Authority, and other state and regional authorities concerning late or missed payments shall be shared with the Auditor.
2.. Based upon the criteria established by the Auditor, the Auditor shall establish a prioritized early warning system. Under the prioritized early warning system, the Auditor shall establish a regular process whereby it reviews audited financial data and other relevant factors and qualitative information on at least an annual basis to make a preliminary determination that a locality may meet the criteria for fiscal distress. As part of the early warning system, the Auditor shall use leading financial indicators based on key data from the locality's audited financial reports to evaluate information related to a locality's financial position, financial reserves, debt, and operating revenues and expenditures, along with other relevant factors as applicable. The Auditor shall further evaluate localities that are identified as needing additional evaluation based on their initial financial indicators on the basis of additional leading indicators that may include retirement liabilities, revenue growth, economic and property market value data, reports prepared by the Commission on Local Government on revenue fiscal stress, and other relevant qualitative information.

3. If a locality has not submitted its audited annual financial report, pursuant to §§ 15.2-2510 and 15.2-2511, within 18 months of the required December 15 deadline or provided a plan to do so, the Auditor shall notify the Governor, the Secretary of Finance, and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government that the Auditor is unable to

review the locality's financial data as part of the early warning system or evaluate its financial condition due to the locality's delay with submitting its audited annual financial report. A locality's inability to timely produce its required audited financial report within 18 months of the required deadline as specified in this subsection or to provide a plan to do so shall automatically effectuate the provisions pursuant to subsection D whereby the Auditor shall make a preliminary determination that the locality may meet the criteria for fiscal distress.

4. For a locality where the Auditor has made a preliminary determination of fiscal distress based upon the early warning system criteria, the Auditor shall notify the local governing body of its preliminary determination that it may meet the criteria for fiscal distress. In coordination with the local governing body or chief executive officer, the Auditor may conduct a review and request documents and data from the locality and the locality's published budget information. Such review shall consider factors including budget processes, debt, borrowing, expenses and payables, revenues and receivables, and other areas, including staffing and the identification of external variables contributing to a locality's financial position. Any local governing body that receives requests for information from the Auditor pursuant to such preliminary determination based on the above-described threshold levels shall acknowledge receipt of such a request and shall ensure that a response is provided within the timeframes specified by the Auditor. If the locality does not acknowledge the Auditor's notification of a preliminary determination or does not provide a response to the Auditor's requests within reasonable timeframes so specified, the Auditor shall notify the Governor, the Secretary of Finance, and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government that the locality is not responsive. After such review, if the local governing body or chief executive officer requests assistance or the Auditor is of the opinion that state assistance, oversight, or targeted intervention is needed, either to further assess, help stabilize, or remediate the situation, the Auditor shall notify the Governor and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government and the governing body of the locality in writing, outlining specific issues or actions that need to be addressed by state assistance, oversight, or intervention.

b.1. Once the Governor has received a notification from the Auditor indicating fiscal distress in a specific locality, the Governor shall consult with the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations about a plan for state assistance, oversight, or intervention prior to any expenditure of funds from the cash reserve. Any plan approved by the Governor for state assistance, oversight, or intervention shall, at a minimum, specify the purpose of such state assistance, oversight, or intervention efforts, the estimated duration of such efforts, and the anticipated resources, dollar amounts, and personnel directed toward such efforts. The staffing necessary to carry out the assistance, oversight, or intervention plan may be assembled from either public agencies or private entities or both and, notwithstanding any other provisions of law, the Governor may use an expedited method of procurement to secure such staffing when, in his judgment, the need for state assistance, oversight, or intervention is of an emergency nature such that action must be taken in a timely manner to avoid or address unacceptable financial risks to the Commonwealth.

2. The Director of the Department of Planning and Budget shall identify any amounts remaining unexpended from general fund appropriations in the state budget as of June 30 of each year, which constitute state aid to local governments. The Director shall provide a listing of such amounts designated by item number and by program on or before August 15 of each year to the Governor and the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations.

3. From such unexpended balances identified by the Director of the Department of Planning and Budget, the Governor may reappropriate up to $750,000 from amounts that would otherwise revert to the balance of the general fund and transfer such amounts as necessary to establish a component of fund balance, which may be used for the purpose of providing state assistance, oversight, and intervention actions for localities deemed to be fiscally distressed and in need of state assistance, oversight, or intervention to address such distress. Any such reappropriation approved by the Governor shall be separately identified in the commitments specified on the balance sheet and financial statements of the State Comptroller for the close of each fiscal year, to the extent that such reserve is not used or added to by future appropriation actions.

4. Prior to any expenditure of the reappropriated reserve, the Governor and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government shall receive a notification from the Auditor that a specific locality is in need of state assistance, oversight, or intervention because of a worsening financial situation. The Auditor may issue such a notification upon receipt of an audited financial statement or other information that indicates the existence of fiscal distress. However, no such notification shall be made until appropriate follow up and correspondence ascertains that, in the opinion of the Auditor, such fiscal distress exists. Such notification may also be issued by the Auditor if written concerns raised about fiscal distress are not adequately addressed by the locality in question. The notification issued by the Auditor indicating fiscal distress in a specific locality pursuant to subparagraph a.4. shall satisfy the notification requirement of this subdivision.

c. The governing body and the elected constitutional officers of a locality subject to a plan of state assistance, oversight, or intervention approved by the Governor shall assist all state-appointed staff conducting such efforts regardless of whether such staff are from public agencies or private entities. The state-appointed staff shall provide periodic reports in writing to the Governor and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government outlining the scope of issues discovered and any recommendations made to address such issues, and the progress that is made on such recommendations or other state assistance, oversight, or intervention efforts. These periodic reports shall specifically address the degree of cooperation the state-appointed team is receiving from locally elected officials, including constitutional officers, city, county, or town managers, and other local personnel in regard to their intervention work.

d. The Commission on Local Government shall act in an oversight capacity for the purpose of determining whether a locality has taken appropriate action to address the issues specified in subparagraph a.4. as requested by the intervention staff and whether the locality appears to be on track to resolve its fiscal distress. Technical assistance, based on the Auditor's existing oversight and support provided for local governments, shall be provided to the Commission on Local Government by the Auditor, and all agencies of the Commonwealth shall provide assistance to the Commission, upon request. The Commission on Local Government shall report its findings and conclusions to the Governor and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government.

e. For purposes of this subsection, "locality" means any locality located in Planning District 19. If the Commission on Local Government's report to the Governor concludes that a locality is either unwilling or unable to comply with the conditions necessary to address its fiscal distress, the Commission on Local Government shall appoint an emergency fiscal manager and implement a remediation plan to restore sustainable fiscal health to the locality. Following such appointment and during the duration of state remediation, the governing body and the chief executive officer of the locality shall not exercise any of the powers of those offices directly or indirectly relating to the locality's finances except as provided in this subsection and such governing body and chief executive officer shall be subject to any conditions required by the emergency fiscal manager. Notwithstanding any other provision of law, general or special, the emergency fiscal manager may shift certain responsibilities and duties from the treasurer of the locality to the emergency fiscal manager if the emergency fiscal manager determines that it is necessary in order to implement the remediation plan. The emergency fiscal manager shall (i) implement an approved fiscal recovery plan; (ii) approve all professional services, suppliers, service provider contracts, and contractual labor agreements; (iii) approve all city employee payrolls; (iv) approve all long-term debt service and loan payments; (v) complete internal control and forensic audit assessments, as needed; and (vi) approve the annual operating and capital budget. The emergency fiscal manager may make recommendations to the governing body regarding the locality's personnel and staffing. The authority granted under this subsection may apply to any locality facing fiscal distress whether such fiscal conditions originated before or after the enactment of this authority. The emergency fiscal manager shall submit a remediation plan to resolve the locality's fiscal distress to the Commission on Local Government, which shall approve, reject, or revise the plan after timely notice of any proposed actions to be taken has been provided to the public and an opportunity for public input has been provided and such input has been considered by the Commission on Local Government. Such plan shall specify the purpose of remediation efforts, including the roles and responsibilities of the local governing body and the chief executive officer, directly or indirectly, relating to the locality's finances and the benchmarks that will allow a locality to exit the state remediation plan upon meeting such benchmarks. Following approval of the remediation plan by the Commission on Local Government, the emergency fiscal manager shall report regularly to the Commission on Local Government, the Governor, and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and

Appropriations and Local Government regarding progress in implementation of the remediation plan. The Commission on Local Government shall determine when the locality has met the benchmarks approved in the remediation plan and shall so notify the Governor and the Chairmen of the House Committees on Appropriations and Counties, Cities and Towns and the Senate Committees on Finance and Appropriations and Local Government.
f. The Department of General Services shall develop a master contract of qualified private sector turnaround specialists with expertise in local government intervention that the Governor can use to procure intervention services in an expeditious manner when he determines that state intervention is warranted in situations of local fiscal distress."

Explanation:

(This amendment updates the language in the budget related to local fiscal distress to ensure it is not in conflict with state statute.)

Item 4-14 #1s

Effective Date

Effective Date	Language

Language:

Page 657, strike lines 9 through 52, and insert:

"3. That §§ 58.1-322.03 and 58.1-339.8 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-322.03 Virginia taxable income; deductions.

In computing Virginia taxable income pursuant to § 58.1-322, there shall be deducted from Virginia adjusted gross income as defined in § 58.1-321:

1. a. The amount allowable for itemized deductions for federal income tax purposes where the taxpayer has elected for the taxable year to itemize deductions on his federal return, but reduced by the amount of income taxes imposed by the Commonwealth or any other taxing jurisdiction and deducted on such federal return and increased by an amount that, when added to the amount deducted under § 170 of the Internal Revenue Code for mileage, results in a mileage deduction at the state level for such purposes at a rate of 18 cents per mile; or

b. Provided that the taxpayer has not itemized deductions for the taxable year on his federal income tax return: (i) for taxable years beginning before January 1, 2019, and on and after January 1, ~~2027~~*2030*, $3,000 for single individuals and $6,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); (ii) for taxable years beginning on and after January 1, 2019, but before January 1, 2022, $4,500 for single individuals and $9,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); (iii) for taxable years beginning on and after January 1, 2022, but before January 1, 2024, $8,000 for single individuals and $16,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); (iv) for taxable years beginning on and after January 1, 2024, but before January 1, 2025, $8,500 for single individuals and $17,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); ~~and~~ (v) for taxable years beginning on and after January 1, 2025, but before January 1, 2027, $8,750 for single individuals and $17,500 for married persons (one-half of such amounts in the case of a married individual filing a separate return); *and (vi) for taxable years beginning on and after January 1, 2027, but before January 1, 2030, $9,200 for single individuals and $18,400 for married persons (one-half of such amounts in the case of a married individual filing a separate return)*. For purposes of this section, any person who may be claimed as a dependent on another taxpayer's return for the taxable year may compute the deduction only with respect to earned income.

2. a. A deduction in the amount of $930 for each personal exemption allowable to the taxpayer for federal income tax purposes.

b. Each blind or aged taxpayer as defined under § 63(f) of the Internal Revenue Code shall be entitled to an additional personal exemption in the amount of $800.
The additional deduction for blind or aged taxpayers allowed under this subdivision shall be allowable regardless of whether the taxpayer itemizes deductions for the taxable year for federal income tax purposes.

3. A deduction equal to the amount of employment-related expenses upon which the federal credit is based under § 21 of the Internal Revenue Code for expenses for household and dependent care services necessary for gainful employment.

4. An additional $1,000 deduction for each child residing for the entire taxable year in a home under permanent foster care placement as defined in § 63.2-908, provided that the taxpayer can also claim the child as a personal exemption under § 151 of the Internal Revenue Code.

5. a. A deduction in the amount of $12,000 for individuals born on or before January 1, 1939.

b. A deduction in the amount of $12,000 for individuals born after January 1, 1939, who have attained the age of 65. This deduction shall be reduced by $1 for every $1 that the taxpayer's adjusted federal adjusted gross income exceeds $50,000 for single taxpayers or $75,000 for married taxpayers. For married taxpayers filing separately, the deduction shall be reduced by $1 for every $1 that the total combined adjusted federal adjusted gross income of both spouses exceeds $75,000.
For the purposes of this subdivision, "adjusted federal adjusted gross income" means federal adjusted gross income minus any benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code, as amended.

6. The amount an individual pays as a fee for an initial screening to become a possible bone

marrow donor, if (i) the individual is not reimbursed for such fee or (ii) the individual has not claimed a deduction for the payment of such fee on his federal income tax return.

7. a. A deduction shall be allowed to the purchaser or contributor for the amount paid or contributed during the taxable year for a prepaid tuition contract or college savings trust account entered into with the Commonwealth Savers Plan, pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1. Except as provided in subdivision b, the amount deducted on any individual income tax return in any taxable year shall be limited to $4,000 per prepaid tuition contract or college savings trust account. No deduction shall be allowed pursuant to this subdivision 7 if such payments or contributions are deducted on the purchaser's or contributor's federal income tax return. If the purchase price or annual contribution to a college savings trust account exceeds $4,000, the remainder may be carried forward and subtracted in future taxable years until the purchase price or college savings trust contribution has been fully deducted; however, except as provided in subdivision b, in no event shall the amount deducted in any taxable year exceed $4,000 per contract or college savings trust account. Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any deduction taken hereunder shall be subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other than (i) to pay qualified higher education expenses, as defined in § 529 of the Internal Revenue Code or (ii) the beneficiary's death, disability, or receipt of a scholarship. For the purposes of this subdivision, "purchaser" or "contributor" means the person shown as such on the records of the Commonwealth Savers Plan as of December 31 of the taxable year. In the case of a transfer of ownership of a prepaid tuition contract or college savings trust account, the transferee shall succeed to the transferor's tax attributes associated with a prepaid tuition contract or college savings trust account, including, but not limited to, carryover and recapture of deductions.

b. A purchaser of a prepaid tuition contract or contributor to a college savings trust account who has attained age 70 shall not be subject to the limitation that the amount of the deduction not exceed $4,000 per prepaid tuition contract or college savings trust account in any taxable year. Such taxpayer shall be allowed a deduction for the full amount paid for the contract or contributed to a college savings trust account, less any amounts previously deducted.

8. The total amount an individual actually contributed in funds to the Virginia Public School Construction Grants Program and Fund, established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1, provided that the individual has not claimed a deduction for such amount on his federal income tax return.

9. An amount equal to 20 percent of the tuition costs incurred by an individual employed as a primary or secondary school teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1 to attend continuing teacher education courses that are required as a condition of employment; however, the deduction provided by this subdivision shall be available only if (i) the individual is not reimbursed for such tuition costs and (ii) the individual has not claimed a deduction for the payment of such tuition costs on his federal income tax return.

10. The amount an individual pays annually in premiums for long-term health care insurance,

provided that the individual has not claimed a deduction for federal income tax purposes, or, for taxable years beginning before January 1, 2014, a credit under § 58.1-339.11. For taxable years beginning on and after January 1, 2014, no such deduction for long-term health care insurance premiums paid by the individual during the taxable year shall be allowed if the individual has claimed a federal income tax deduction for such taxable year for long-term health care insurance premiums paid by him.

11. Contract payments to a producer of quota tobacco or a tobacco quota holder, or their spouses, as provided under the American Jobs Creation Act of 2004 (P.L. 108-357), but only to the extent that such payments have not been subtracted pursuant to subsection D of § 58.1-402, as follows:

a. If the payment is received in installment payments, then the recognized gain may be subtracted in the taxable year immediately following the year in which the installment payment is received.

b. If the payment is received in a single payment, then 10 percent of the recognized gain may be subtracted in the taxable year immediately following the year in which the single payment is received. The taxpayer may then deduct an equal amount in each of the nine succeeding taxable years.

12. An amount equal to 20 percent of the sum paid by an individual pursuant to Chapter 6 (§ 58.1-600 et seq.), not to exceed $500 in each taxable year, in purchasing for his own use the following items of tangible personal property: (i) any clothes washers, room air conditioners, dishwashers, and standard size refrigerators that meet or exceed the applicable energy star efficiency requirements developed by the U.S. Environmental Protection Agency and the U.S. Department of Energy; (ii) any fuel cell that (a) generates electricity using an electrochemical process, (b) has an electricity-only generation efficiency greater than 35 percent, and (c) has a generating capacity of at least two kilowatts; (iii) any gas heat pump that has a coefficient of performance of at least 1.25 for heating and at least 0.70 for cooling; (iv) any electric heat pump hot water heater that yields an energy factor of at least 1.7; (v) any electric heat pump that has a heating system performance factor of at least 8.0 and a cooling seasonal energy efficiency ratio of at least 13.0; (vi) any central air conditioner that has a cooling seasonal energy efficiency ratio of at least 13.5; (vii) any advanced gas or oil water heater that has an energy factor of at least 0.65; (viii) any advanced oil-fired boiler with a minimum annual fuel-utilization rating of 85; (ix) any advanced oil-fired furnace with a minimum annual fuel-utilization rating of 85; and (x) programmable thermostats.

13. The lesser of $5,000 or the amount actually paid by a living donor of an organ or other living tissue for unreimbursed out-of-pocket expenses directly related to the donation that arose within 12 months of such donation, provided that the donor has not taken a medical deduction in accordance with the provisions of § 213 of the Internal Revenue Code for such expenses. The deduction may be taken in the taxable year in which the donation is made or the taxable year in which the 12-month period expires.

14. For taxable years beginning on and after January 1, 2013, the amount an individual age 66

or older with earned income of at least $20,000 for the year and federal adjusted gross income not in excess of $30,000 for the year pays annually in premiums for (i) a prepaid funeral insurance policy covering the individual or (ii) medical or dental insurance for any person for whom individual tax filers may claim a deduction for such premiums under federal income tax laws. As used in this subdivision, "earned income" means the same as that term is defined in § 32(c) of the Internal Revenue Code. The deduction shall not be allowed for any portion of such premiums paid for which the individual has (a) been reimbursed, (b) claimed a deduction for federal income tax purposes, (c) claimed a deduction or subtraction under another provision of this section, or (d) claimed a federal income tax credit or any income tax credit pursuant to this chapter.

15. Business interest disallowed as a deduction pursuant to § 163(j) of the Internal Revenue Code:

a. For taxable years beginning on and after January 1, 2018, but before January 1, 2022, 20 percent of such disallowed business interest;

b. For taxable years beginning on and after January 1, 2022, but before January 1, 2024, 30 percent of such disallowed business interest;

c. For taxable years beginning on and after January ~~2~~ *1*, 2024, *but before January 1, 2025*, 50 percent of such disallowed business interest; *and*

d. For taxable years beginning on and after January 1, 2025, 20 percent of such disallowed business interest.

For purposes of subdivision 15, "business interest" means the same as that term is defined under § 163(j) of the Internal Revenue Code.

16. For taxable years beginning on and after January 1, 2019, the actual amount of real and personal property taxes imposed by the Commonwealth or any other taxing jurisdiction not otherwise deducted solely on account of the dollar limitation imposed on individual deductions by § 164(b)(6)(B) of the Internal Revenue Code.

17. For taxable years beginning before January 1, 2021, up to $100,000 of the amount that is not deductible when computing federal adjusted gross income solely on account of the portion of subdivision B 10 of § 58.1-301 related to Paycheck Protection Program loans.

18. For taxable years beginning on and after January 1, 2022, but before January 1, 2025, *and for taxable years beginning on and after January 1, 2026,* the lesser of $500 or the actual amount paid or incurred for eligible educator qualifying expenses. For purposes of this subdivision, "eligible educator" means an individual who for at least 900 hours during the taxable year in which the credit under this section is claimed served as a teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1, instructor, student counselor, principal, special needs personnel, or student aide serving accredited public or private primary and secondary school students in Virginia, and "qualifying expenses" means 100 percent of the amount paid or incurred by an eligible educator during the taxable year for participation in

professional development courses and the purchase of books, supplies, computer equipment (including related software and services), other educational and teaching equipment, and supplementary materials used directly in that individual's service to students as an eligible educator, provided that such purchases were neither reimbursed nor claimed as a deduction on the eligible educator's federal income tax return for such taxable year.

19. For taxable years beginning on and after January 1, 2026, the amount paid or cost incurred for installing a qualifying upgrade required to interconnect a triggering project. No deduction shall be allowed under this section for a taxpayer who has claimed a deduction under subsection I of § 58.1-402 for the same amount paid or cost incurred to install such qualifying upgrade. For purposes of this subdivision, "qualifying upgrade" and "triggering project" have the same meanings as provided for those terms in § 56-596.5.

§ 58.1-339.8. Income tax credit for low-income taxpayers.

A. For purposes of this section:

"Family Virginia adjusted gross income" means the combined Virginia adjusted gross income of an individual, the individual's spouse, and any person claimed as a dependent on the individual's or his spouse's income tax return for the taxable year.

"Household" means an individual, or in the case of married individuals, an individual and his spouse, regardless of whether or not the individual and his spouse file combined or separate Virginia individual income tax returns.

"Poverty guidelines" means the poverty guidelines for the 48 contiguous states and the District of Columbia updated annually in the Federal Register by the U.S. Department of Health and Human Services under the authority of § 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"Virginia adjusted gross income" has the same meaning as the term is defined in § 58.1-321.

B. 1. For taxable years beginning on and after January 1, 2000, any individual or married individuals filing jointly whose family Virginia adjusted gross income does not exceed 100 percent of the poverty guideline amount corresponding to a household of an equal number of persons as listed in the poverty guidelines published during such taxable year, shall be allowed a nonrefundable credit against the tax levied pursuant to § 58.1-320 in an amount equal to $300 each for the individual, the individual's spouse, and any person claimed as a dependent on the individual's or married individuals' income tax return for the taxable year. For any taxable year in which married individuals file separate Virginia income tax returns, the credit provided under this section shall be allowed against the tax for only one of such two tax returns. Additionally, the credit provided under this section shall not be allowed against such tax of a dependent of the individual or of married individuals.

2. For taxable years beginning on and after January 1, 2006, any individual or married

individuals filing jointly, eligible for a tax credit pursuant to § 32 of the Internal Revenue Code, may for the taxable year, in lieu of the credit authorized under subdivision 1, claim a nonrefundable credit against the tax imposed pursuant to § 58.1-320 in an amount equal to 20 percent of the credit claimed by the individual or married individuals for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year. In no case shall a household be allowed a credit pursuant to this subdivision and subdivision 1 or 3 for the same taxable year.

3. a. For taxable years beginning on and after January 1, 2022, but before January 1, 2025 any individual or married individuals filing jointly, eligible for a tax credit pursuant to § 32 of the Internal Revenue Code, may for the taxable year, in lieu of the credit authorized under subdivision 1 or 2, claim a refundable credit against the tax imposed pursuant to § 58.1-320 in an amount equal to 15 percent of the credit claimed by the individual or married individuals for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year.

b. For taxable years beginning on and after January 1, 2025 but before January 1, ~~2027~~ *2030*, any individual or married individuals filing jointly may, for the taxable year, in lieu of the credit authorized under subdivision 1 or 2, claim a refundable credit against the tax imposed pursuant to § 58.1-320 in an amount equal to 20 percent of the credit claimed by the individual or married individuals for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year.

c. The refundable credit claimed pursuant to this subdivision 3 shall be claimed on the Virginia income tax return and redeemed by the Tax Commissioner. In no case shall a household be allowed a credit pursuant to this subdivision 3 and subdivision 1 or 2 for the same taxable year.

C. The amount of the credit claimed pursuant to subdivision B 1 and B 2, or in the case of a nonresident or a person to which § 58.1-303 applies, subdivision B 3, for any taxable year shall not exceed the individual's or married individuals' Virginia income tax liability.

D. Notwithstanding any other provision of this section, no credit shall be allowed pursuant to subsection B in any taxable year in which the individual, the individual's spouse, or both, or any person claimed as a dependent on such individual's or married individuals' income tax return, claims one or any combination of the following on his or their income tax return for such taxable year:

1. The subtraction under subdivision 8 of § 58.1-322.02;

2. The subtraction under subdivision 15 of § 58.1-322.02;

3. The subtraction under subdivision 16 of § 58.1-322.02;

4. The deduction for the additional personal exemption for blind or aged taxpayers under subdivision 2 b of § 58.1-322.03; or

5. The deduction under subdivision 5 of § 58.1-322.03."

Page 658, strike lines 1 through 56.

Page 659, strike lines 1 through 54.

Page 660, strike lines 1 through 52.

Page 661, strike lines 1 through 50.

Page 662 strike lines 1 through 55.

Page 663, strike lines 1 through 56.

Page 664, strike lines 1 through 54.

Page 664, strike lines 55 through 56.

Page 665, strike lines 1 through 51.

Page 666, strike lines 1 through 50.

Page 667, strike lines 1 through 51.

Page 668, strike lines 1 through 29.

Page 668, line 31, strike "third, and fourth" and insert "and third".

Explanation:

(This amendment increases the state standard deduction from $8,500 for single filers and $17,500 for married filers to $9,200 and $18,400 respectively beginning in taxable year 2027 through 2029.)

Item 4-14 #2s

Effective Date

Effective Date Language

Language:

Page 653 strike lines 32 through 47.
Page 654 strike lines 1 through 52.
Page 655 strike lines 1 through 55.
Page 656, strike lines 1 through 53.
Page 657, strike lines 1 through 8, and insert:
"2. That §§ 58.1-602, 58.1-605, 58.1-605.1, and 58.1-606.1 of the Code of Virginia are amended and reenacted as follows:
§ 58.1-602. Definitions.
As used in this chapter, unless the context clearly shows otherwise:
"Accommodations" means any room or rooms, lodgings, or accommodations in any hotel,

motel, inn, tourist camp, tourist cabin, camping grounds, club, short-term rental, or any other place in which rooms, lodging, space, or accommodations are regularly furnished to transients for a consideration. "Accommodations" does not include rooms or space offered by a person in the business of providing conference rooms, meeting space, or event space if the person does not also offer rooms available for overnight sleeping.

"Accommodations fee" means the room charge less the discount room charge, if any, provided that the accommodations fee shall not be less than $0.

"Accommodations intermediary" means any person other than an accommodations provider that (i) facilitates the sale of an accommodation and (ii) either (a) charges a room charge to the customer, and charges an accommodations fee to the customer, which fee it retains as compensation for facilitating the sale; (b) collects a room charge from the customer; or (c) charges a fee, other than an accommodations fee, to the customer, which fee it retains as compensation for facilitating the sale. For purposes of this definition, "facilitates the sale" includes brokering, coordinating, or in any other way arranging for the purchase of the right to use accommodations via a transaction directly, including via one or more payment processors, between a customer and an accommodations provider.

"Accommodations intermediary" does not include a person:

1. If the accommodations are provided by an accommodations provider operating under a trademark, trade name, or service mark belonging to such person;

2. Who facilitates the sale of an accommodation if (i) the price paid by the customer to such person is equal to the price paid by such person to the accommodations provider for the use of the accommodations and (ii) the only compensation received by such person for facilitating the sale of the accommodation is a commission paid from the accommodations provider to such person; or

3. Who is licensed as a real estate licensee pursuant to Article 1 (§ 54.1-2100 et seq.) of Chapter 21 of Title 54.1, when acting within the scope of such license.

"Accommodations provider" means any person that furnishes accommodations to the general public for compensation. The term "furnishes" includes the sale of use or possession or the sale of the right to use or possess.

"Advertising" means the planning, creating, or placing of advertising in newspapers, magazines, billboards, broadcasting and other media, including, without limitation, the providing of concept, writing, graphic design, mechanical art, photography and production supervision. Any person providing advertising as defined in this section shall be deemed to be the user or consumer of all tangible personal property purchased for use in such advertising.

"Affiliate" means the same as such term is defined in § 58.1-439.18.

"Amplification, transmission, distribution, and network equipment" means production, distribution, and other equipment used to provide Internet-access services, such as computer and communications equipment and software used for storing, processing, and retrieving end-user subscribers' requests. A "network" includes modems, fiber optic cables, coaxial cables, radio equipment, routing equipment, switching equipment, a cable modem termination system, associated software, transmitters, power equipment, storage devices, servers, multiplexers, and antennas, which network is used to provide Internet service, regardless of whether the provider of such service is also a telephone common carrier or whether such network is also used to provide services other than Internet services.

"Business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either directly or indirectly.

"Cost price" means the actual cost of an item or article of tangible personal property computed in the same manner as the sales price as defined in this section without any deductions therefrom on account of the cost of materials used, labor, or service costs, transportation charges, or any expenses whatsoever.

"Custom program" means a computer program that is specifically designed and developed only for one customer. The combining of two or more prewritten programs does not constitute a custom computer program. A prewritten program that is modified to any degree remains a prewritten program and does not become custom.

"Discount room charge" means the full amount charged by the accommodations provider to the accommodations intermediary, or an affiliate thereof, for furnishing the accommodations.

"Distribution" means the transfer or delivery of tangible personal property for use, consumption, or storage by the distributee, and the use, consumption, or storage of tangible personal property by a person that has processed, manufactured, refined, or converted such property, but does not include the transfer or delivery of tangible personal property for resale or any use, consumption, or storage otherwise exempt under this chapter.

"Gross proceeds" means the charges made or voluntary contributions received for the lease or rental of tangible personal property or for furnishing services, computed with the same deductions, where applicable, as for sales price as defined in this section over the term of the lease, rental, service, or use, but not less frequently than monthly. "Gross proceeds" does not include finance charges, carrying charges, service charges, or interest from credit extended on the lease or rental of tangible personal property under conditional lease or rental contracts or other conditional contracts providing for the deferred payments of the lease or rental price.

"Gross sales" means the sum total of all retail sales of tangible personal property or services as defined in this chapter, without any deduction, except as provided in this chapter. "Gross sales" does not include the federal retailers' excise tax or the federal diesel fuel excise tax imposed in § 4091 of the Internal Revenue Code if the excise tax is billed to the purchaser separately from the selling price of the article, or the Virginia retail sales or use tax, or any sales or use tax imposed by any county or city under § 58.1-605 or 58.1-606.

"Import" and "imported" are words applicable to tangible personal property imported into the Commonwealth from other states as well as from foreign countries, and "export" and "exported" are words applicable to tangible personal property exported from the Commonwealth to other states as well as to foreign countries.

"In this Commonwealth" or "in the Commonwealth" means within the limits of the Commonwealth of Virginia and includes all territory within these limits owned by or ceded to the United States of America.

"Integrated process," when used in relation to semiconductor manufacturing, means a process that begins with the research or development of semiconductor products, equipment, or processes, includes the handling and storage of raw materials at a plant site, and continues to the point that the product is packaged for final sale and either shipped or conveyed to a warehouse. Without limiting the foregoing, any semiconductor equipment, fuel, power, energy, supplies, or other tangible personal property shall be deemed used as part of the integrated process if its use contributes, before, during, or after production, to higher product quality, production yields, or process efficiencies. Except as otherwise provided by law, "integrated process" does not mean general maintenance or administration.

"Internet" means, collectively, the myriad of computer and telecommunications facilities, which comprise the interconnected worldwide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor to such protocol, to communicate information of all kinds by wire or radio.

"Internet service" means a service that enables users to access content, information, and other services offered over the Internet.

"Lease or rental" means the leasing or renting of tangible personal property and the possession or use thereof by the lessee or renter for a consideration, without transfer of the title to such property.

"Manufacturing, processing, refining, or conversion" includes the production line of the plant starting with the handling and storage of raw materials at the plant site and continuing through the last step of production where the product is finished or completed for sale and conveyed to a warehouse at the production site, and also includes equipment and supplies used for production line testing and quality control. "Manufacturing" also includes the necessary ancillary activities of newspaper and magazine printing when such activities are performed by the publisher of any newspaper or magazine for sale daily or regularly at average intervals not exceeding three months.

The determination of whether any manufacturing, mining, processing, refining or conversion activity is industrial in nature shall be made without regard to plant size, existence or size of finished product inventory, degree of mechanization, amount of capital investment, number of employees or other factors relating principally to the size of the business. Further, "industrial in nature" includes, but is not limited to, those businesses classified in codes 10 through 14 and 20 through 39 published in the Standard Industrial Classification Manual for 1972 and any supplements issued thereafter.

"Modular building" means, but is not limited to, single and multifamily houses, apartment units, commercial buildings, and permanent additions thereof, comprised of one or more sections that are intended to become real property, primarily constructed at a location other than the permanent site, built to comply with the Virginia Industrialized Building Safety Law (§ 36-70 et seq.) as regulated by the Virginia Department of Housing and Community Development, and shipped with most permanent components in place to the site of final assembly. For purposes of this chapter, "modular building" does not include a mobile office as defined in § 58.1-2401 or any manufactured building subject to and certified under the provisions of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. § 5401 et seq.).

"Modular building manufacturer" means a person that owns or operates a manufacturing facility and is engaged in the fabrication, construction and assembling of building supplies and materials into modular buildings, as defined in this section, at a location other than at the site where the modular building will be assembled on the permanent foundation and may or may not be engaged in the process of affixing the modules to the foundation at the permanent site.

"Modular building retailer" means any person that purchases or acquires a modular building from a modular building manufacturer, or from another person, for subsequent sale to a customer residing within or outside of the Commonwealth, with or without installation of the modular building to the foundation at the permanent site.
"Motor vehicle" means a "motor vehicle" as defined in § 58.1-2401, taxable under the provisions of the Virginia Motor Vehicles Sales and Use Tax Act (§ 58.1-2400 et seq.) and upon the sale of which all applicable motor vehicle sales and use taxes have been paid.
"Occasional sale" means a sale of tangible personal property not held or used by a seller in the course of an activity for which it is required to hold a certificate of registration, including the sale or exchange of all or substantially all the assets of any business and the reorganization or liquidation of any business, provided that such sale or exchange is not one of a series of sales and exchanges sufficient in number, scope and character to constitute an activity requiring the holding of a certificate of registration.
"Open video system" means an open video system authorized pursuant to 47 U.S.C. § 573 and, for purposes of this chapter only, also includes Internet service regardless of whether the provider of such service is also a telephone common carrier.
"Person" includes any individual, firm, copartnership, cooperative, nonprofit membership corporation, joint venture, association, corporation, estate, trust, business trust, trustee in bankruptcy, receiver, auctioneer, syndicate, assignee, club, society, or other group or combination acting as a unit, body politic or political subdivision, whether public or private, or quasi-public, and the plural of "person" means the same as the singular.
"Prewritten program" means a computer program that is prepared, held or existing for general or repeated sale or lease, including a computer program developed for in-house use and subsequently sold or leased to unrelated third parties.
~~"Qualifying locality" means Charlotte County, Gloucester County, Halifax County, Henry County, Mecklenburg County, Northampton County, Patrick County, Pittsylvania County, or the City of Danville.~~
"Railroad rolling stock" means locomotives, of whatever motive power, autocars, railroad cars of every kind and description, and all other equipment determined by the Tax Commissioner to constitute railroad rolling stock.
"Remote seller" means any dealer deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 under the criteria specified in subdivision C 10 or 11 of § 58.1-612 or any software provider acting on behalf of such dealer.
"Retail sale" or a "sale at retail" means a sale to any person for any purpose other than for resale in the form of tangible personal property or services taxable under this chapter, and shall include any such transaction as the Tax Commissioner upon investigation finds to be in lieu of a sale. All sales for resale must be made in strict compliance with regulations applicable to this chapter. Any dealer making a sale for resale which is not in strict compliance with such regulations shall be personally liable for payment of the tax.
The terms "retail sale" and a "sale at retail" specifically include the following: (i) the sale or charges for any accommodations furnished to transients for less than 90 continuous days; (ii) sales of tangible personal property to persons for resale when because of the operation of the business, or its very nature, or the lack of a place of business in which to display a certificate of

registration, or the lack of a place of business in which to keep records, or the lack of adequate records, or because such persons are minors or transients, or because such persons are engaged in essentially service businesses, or for any other reason there is likelihood that the Commonwealth will lose tax funds due to the difficulty of policing such business operations; (iii) the separately stated charge made for automotive refinish repair materials that are permanently applied to or affixed to a motor vehicle during its repair; and (iv) the separately stated charge for equipment available for lease or purchase by a provider of satellite television programming to the customer of such programming. Equipment sold to a provider of satellite television programming for subsequent lease or purchase by the customer of such programming shall be deemed a sale for resale. The Tax Commissioner is authorized to promulgate regulations requiring vendors of or sellers to such persons to collect the tax imposed by this chapter on the cost price of such tangible personal property to such persons and may refuse to issue certificates of registration to such persons. The terms "retail sale" and a "sale at retail" also specifically include the separately stated charge made for supplies used during automotive repairs whether or not there is transfer of title or possession of the supplies and whether or not the supplies are attached to the automobile. The purchase of such supplies by an automotive repairer for sale to the customer of such repair services shall be deemed a sale for resale.

The term "transient" does not include a purchaser of camping memberships, time-shares, condominiums, or other similar contracts or interests that permit the use of, or constitute an interest in, real estate, however created or sold and whether registered with the Commonwealth or not. Further, a purchaser of a right or license which entitles the purchaser to use the amenities and facilities of a specific real estate project on an ongoing basis throughout its term shall not be deemed a transient, provided, however, that the term or time period involved is for seven years or more.

The terms "retail sale" and "sale at retail" do not include a transfer of title to tangible personal property after its use as tools, tooling, machinery or equipment, including dies, molds, and patterns, if (i) at the time of purchase, the purchaser is obligated, under the terms of a written contract, to make the transfer and (ii) the transfer is made for the same or a greater consideration to the person for whom the purchaser manufactures goods.

"Retailer" means every person engaged in the business of making sales at retail, or for distribution, use, consumption, or storage to be used or consumed in the Commonwealth.

"Room charge" means the full retail price charged to the customer for the use of the accommodations before taxes. "Room charge" includes any fee charged to the customer and retained as compensation for facilitating the sale, whether described as an accommodations fee, facilitation fee, or any other name. The room charge shall be determined in accordance with 23VAC10-210-730 and the related rulings of the Department on the same.

"Sale" means any transfer of title or possession, or both, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property and any rendition of a taxable service for a consideration, and includes the fabrication of tangible personal property for consumers who furnish, either directly or indirectly, the materials used in fabrication, and the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property. A transaction whereby the possession of property is transferred but the seller retains title as security for the payment of the price shall be deemed a sale.

"Sales price" means the total amount for which tangible personal property or services are sold, including any services that are a part of the sale, valued in money, whether paid in money or otherwise, and includes any amount for which credit is given to the purchaser, consumer, or lessee by the dealer, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, losses or any other expenses whatsoever. "Sales price" does not include (i) any cash discount allowed and taken; (ii) finance charges, carrying charges, service charges or interest from credit extended on sales of tangible personal property under conditional sale contracts or other conditional contracts providing for deferred payments of the purchase price; (iii) separately stated local property taxes collected; (iv) that portion of the amount paid by the purchaser as a discretionary gratuity added to the price of a meal; or (v) that portion of the amount paid by the purchaser as a mandatory gratuity or service charge added by a restaurant to the price of a meal, but only to the extent that such mandatory gratuity or service charge does not exceed 20 percent of the price of the meal. Where used articles are taken in trade, or in a series of trades as a credit or part payment on the sale of new or used articles, the tax levied by this chapter shall be paid on the net difference between the sales price of the new or used articles and the credit for the used articles.

"Semiconductor cleanrooms" means the integrated systems, fixtures, piping, partitions, flooring, lighting, equipment, and all other property used to reduce contamination or to control airflow, temperature, humidity, vibration, or other environmental conditions required for the integrated process of semiconductor manufacturing.

"Semiconductor equipment" means (i) machinery or tools or repair parts or replacements thereof; (ii) the related accessories, components, pedestals, bases, or foundations used in connection with the operation of the equipment, without regard to the proximity to the equipment, the method of attachment, or whether the equipment or accessories are affixed to the realty; (iii) semiconductor wafers and other property or supplies used to install, test, calibrate or recalibrate, characterize, condition, measure, or maintain the equipment and settings thereof; and (iv) equipment and supplies used for quality control testing of product, materials, equipment, or processes; or the measurement of equipment performance or production parameters regardless of where or when the quality control, testing, or measuring activity takes place, how the activity affects the operation of equipment, or whether the equipment and supplies come into contact with the product.

"Short-term rental" means the same as such term is defined in § 15.2-983.

"Storage" means any keeping or retention of tangible personal property for use, consumption or distribution in the Commonwealth, or for any purpose other than sale at retail in the regular course of business.

"Tangible personal property" means personal property that may be seen, weighed, measured, felt, or touched, or is in any other manner perceptible to the senses. "Tangible personal property" does not include stocks, bonds, notes, insurance or other obligations or securities. "Tangible personal property" includes (i) telephone calling cards upon their initial sale, which shall be exempt from all other state and local utility taxes, and (ii) manufactured signs.

"Use" means the exercise of any right or power over tangible personal property incident to the ownership thereof, except that it does not include the sale at retail of that property in the regular course of business. "Use" does not include the exercise of any right or power, including use, distribution, or storage, over any tangible personal property sold to a nonresident donor for delivery outside of the Commonwealth to a nonresident recipient pursuant to an order placed by the donor from outside the Commonwealth via mail or telephone. "Use" does not include any sale determined to be a gift transaction, subject to tax under § 58.1-604.6.

"Use tax" refers to the tax imposed upon the use, consumption, distribution, and storage as defined in this section.

"Used directly," when used in relation to manufacturing, processing, refining, or conversion, refers to those activities that are an integral part of the production of a product, including all steps of an integrated manufacturing or mining process, but not including ancillary activities such as general maintenance or administration. When used in relation to mining, "used directly" refers to the activities specified in this definition and, in addition, any reclamation activity of the land previously mined by the mining company required by state or federal law.

"Video programmer" means a person that provides video programming to end-user subscribers.

"Video programming" means video and/or information programming provided by or generally considered comparable to programming provided by a cable operator, including, but not limited to, Internet service.

§ 58.1-605. To what extent and under what conditions cities and counties may levy local sales taxes; collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

A. No county, city or town shall impose any local general sales or use tax or any local general retail sales or use tax except as authorized by this section or § 58.1-605.1.

B. The council of any city and the governing body of any county may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to all the provisions of this chapter and the rules and regulations published with respect thereto. No discount under § 58.1-622 shall be allowed on a local sales tax.

C. 1. The council of any city and the governing body of any county desiring to impose a local sales tax under this section may do so by the adoption of an ordinance stating its purpose and referring to this section, and providing that such ordinance shall be effective on the first day of a month at least 60 days after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

2. Prior to any change in the rate of any local sales and use tax, the Tax Commissioner shall provide remote sellers with at least 30 days' notice. Any change in the rate of any local sales and use tax shall only become effective on the first day of a calendar quarter. Failure to provide notice pursuant to this section shall require the Commonwealth and the ~~locality~~ *county or city* to apply the preceding effective rate until 30 days after notification is provided.

D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the account of each particular city or county levying a local sales tax under this section. The basis of such credit shall be the city or county in which the sales were made as shown by the records of the Department and certified by it monthly to the Comptroller, namely, the city or county of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. If a dealer has any place of business located in more than one political subdivision by reason of the boundary line or lines passing through such place of business, the amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the purposes of this section as follows: one-half shall be assignable to each political subdivision where two are involved, one-third where three are involved, and one-fourth where four are involved.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax moneys, and such payments shall be charged to the account of each such city or county under the special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall be corrected and adjustments made in the payments for the next two months as follows: one-half of the total adjustment shall be included in the payments for the next two months. In addition, the payment shall include a refund of amounts erroneously not paid to the city or county and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. Such payments to counties are subject to the qualification that in any county wherein is situated any incorporated town constituting a special school district and operated as a separate school district under a town school board of three members appointed by the town council, the county treasurer shall pay into the town treasury for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of such town bears to the school age population of the entire county. If the school age population of any town constituting a separate school district is increased by the annexation of territory since the last estimate of school age population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such estimate and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

H. One-half of such payments to counties are subject to the further qualification, other than as set out in subsection G, that in any county wherein is situated any incorporated town not constituting a separate special school district that has complied with its charter provisions providing for the election of its council and mayor for a period of at least four years immediately prior to the adoption of the sales tax ordinance, the county treasurer shall pay into

the town treasury of each such town for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of each such town bears to the school age population of the entire county, based on the latest estimate provided by the Weldon Cooper Center for Public Service. The preceding requirement pertaining to the time interval between compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city. If the school age population of any such town not constituting a separate special school district is increased by the annexation of territory or otherwise since the last estimate of school age population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such estimate and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.
I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its discretion, appropriate funds to any incorporated town not constituting a separate school district within such county that has not complied with the provisions of its charter relating to the elections of its council and mayor~~, an amount not to exceed the amount it would have received from the tax imposed by this chapter if such election had been held; however, Charlotte County, Gloucester County, Halifax County, Henry County, Mecklenburg County, Northampton County, Patrick County, and Pittsylvania County may appropriate any amount to any such incorporated town~~.
J. It is further provided that if any incorporated town which would otherwise be eligible to receive funds from the county treasurer under subsection G or H be located in a county that does not levy a general retail sales tax under the provisions of this law, such town may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall in no case continue to be levied on or after the effective date of a county ordinance imposing a general retail sales tax in the county within which such town is located.

§ 58.1-605.1. Additional local sales tax in certain localities; use of revenues for construction or renovation of schools.
A. 1. In addition to the sales tax authorized under § 58.1-605, ~~a qualifying locality~~ *any county or city* may levy a general retail sales tax at a rate not to exceed one percent as determined by its governing body to provide revenue solely for capital projects for the construction or renovation of schools ~~in~~ *serving* each such ~~locality~~ *county or city*. Such tax shall be added to the rates of the state and local sales tax imposed by this chapter and shall be subject to all the provisions of this chapter and the rules and regulations published with respect thereto. No discount under § 58.1-622 shall be allowed on this local sales tax.
2. Any tax imposed pursuant to this section shall expire (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, on the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, on a date chosen by the governing body and specified in any resolution passed pursuant to the provisions of subdivision

B 1. Such expiration date shall not be more than 20 years after the date of the resolution passed pursuant to the provisions of subdivision B 1.

B. 1. This tax may be levied only if the tax is approved in a referendum within the ~~qualifying locality~~ *county or city* held in accordance with § 24.2-684 and initiated by a resolution of the local governing body. Such resolution shall state (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, a specified date on which the sales tax shall expire.

2. The clerk of the circuit court shall publish notice of the referendum in a newspaper of general circulation in the ~~qualifying~~ ~~locality~~ *county or city* once a week for three consecutive weeks prior to the election. The question on the ballot for the referendum shall include language stating (i) that the revenues from the sales tax shall be used solely for capital projects for the construction or renovation of schools and (ii) the date on which the sales tax shall expire.

C. The governing body of the ~~qualifying~~ ~~locality~~ *county or city*, if it elects to impose a local sales tax under this section after approval at a referendum as provided in subsection B shall do so by the adoption of an ordinance stating its purpose and referring to this section and providing that such ordinance shall be effective on the first day of a month at least 120 days after its adoption. Such ordinance shall state the date on which the sales tax shall expire. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same exemptions and penalties as provided for the state sales tax; however, the local sales tax levied under this section shall not be levied on food purchased for human consumption or essential personal hygiene products, as such terms are defined in § 58.1-611.1.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund that is hereby created on the Comptroller's books for each ~~qualifying~~ ~~locality~~ *county or city* under the name "Collections of Additional Local Sales Taxes in ____ (INSERT NAME OF THE ~~QUALIFYING~~ ~~LOCALITY~~ *COUNTY OR CITY*)." Each fund shall be administered as provided in § 58.1-605. A separate fund shall be created for each ~~qualifying~~ ~~locality~~ *county or city*. Only local sales tax moneys collected in that ~~qualifying~~ ~~locality~~ *county or city* shall be deposited in that ~~locality's~~ *county's or city's* fund.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the State Treasurer in the proper amount in favor of each ~~qualifying locality~~ *county or city*, and such payments shall be charged to the account of the ~~qualifying locality~~ *county or city* under its special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers or to some other fact, the errors shall be corrected and adjustments made in the payments for the next two months as follows: one-half of the total adjustment shall be included in the payment for each of the next two months. In addition, the payment shall include a refund of amounts erroneously not paid to each ?~~qualifying locality~~ *county or city* and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. *1*. The revenues from this tax shall be used solely for capital projects for new construction or major renovation of schools ~~in~~ *serving* the ~~qualifying~~ ~~locality~~ *county or city*, including bond and loan financing costs related to such construction or renovation.

2. The revenues from this tax shall not be used to reduce, supplant, or offset any amounts of local appropriations or local funding for capital projects described in subdivision 1 on the date such tax is first imposed in the county or city.

§58.1-606.1. Additional local use tax in certain localities; use of revenues for construction or renovation of schools.

A. 1. The governing body of a ~~qualifying~~ ~~locality~~ *county or city* may levy a use tax at the rate of such sales tax under § 58.1-605.1 to provide revenue for capital projects for the construction or renovation of schools ~~in~~ *serving* such ~~locality~~ *county or city*. Such tax shall be added to the rates of the state and local use tax imposed by this chapter and shall be subject to all the provisions of this chapter, and all amendments thereof, and the rules and regulations published with respect thereto, except that no discount under § 58.1-622 shall be allowed on a local use tax.

2. Any tax imposed pursuant to this section shall expire (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, on the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, on a date chosen by the governing body and specified in any resolution passed pursuant to the provisions of subsection B. Such expiration date shall not be more than 20 years after the date of the resolution passed pursuant to the provisions of subsection B.

B. The governing body of the ~~qualifying~~ ~~locality~~ *county or city*, if it elects to impose a local use tax under this section may do so only if it has previously imposed the local sales tax authorized by § 58.1-605.1, by the adoption of an ordinance stating its purpose and referring to this section and providing that the local use tax shall become effective on the first day of a month at least 120 days after its adoption. Such ordinance shall state the date on which the use tax shall expire. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

C. Any local use tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same exemptions and penalties as provided for the state use tax; however, the local use tax levied under this section shall not be levied on food purchased for human consumption or essential personal hygiene products, as such terms are defined in § 58.1-611.1.

D. The local use tax authorized by this section shall not apply to transactions to which the sales tax applies, the situs of which for state and local sales tax purposes is the ~~locality~~ *county or city* of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the ~~locality~~ *county or city* of possible use by the purchasers. However, the local use tax authorized by this section shall apply to tangible personal property purchased outside the Commonwealth for use or consumption within the ~~locality~~ *county or city* imposing the local use tax, or stored within the ~~locality~~ *county or city* for use or consumption, where the property would have been subject to the sales tax if it had been purchased within the Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal property where the place of business of the lessor is outside the Commonwealth and such leases or rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state use tax applies.

E. Out-of-state dealers who hold certificates of registration to collect the use tax from their customers for remittance to the Commonwealth shall, to the extent reasonably practicable, in filing their monthly use tax returns with the Tax Commissioner, break down their shipments into the Commonwealth by counties and cities so as to show the county or city of destination. If, however, the out-of-state dealer is unable accurately to assign any shipment to a particular county or city, the local use tax on the tangible personal property involved shall be remitted to the Commonwealth by such dealer without attempting to assign the shipment to any county or city.

F. Local use tax revenue shall be deposited in the special fund established pursuant to subsection E of § 58.1-605.1. The Comptroller shall distribute the revenue to the ~~qualifying locality~~ *county or city*.

G. ~~All revenue from this local use tax revenue~~ *1. The revenues from this tax* shall be used solely for capital projects for new construction or major renovation of schools ~~in~~ *serving* the ~~qualifying locality~~ *county or city*, including bond and loan financing costs related to such construction or renovation.

2. The revenues from this tax shall not be used to reduce, supplant, or offset any amounts of local appropriations or local funding for capital projects described in subdivision 1 on the date such tax is first imposed in the county or city."

Explanation:

(This amendment authorizes all counties and cities to impose an additional local sales and use tax at a rate not to exceed one percent with the revenue used only for capital projects for the construction or renovation of schools if such levy is approved in a voter referendum.)

Item 4-14 #3s

Effective Date

Effective Date Language

Language:

Page 668, after line 29, insert:

"8. That, notwithstanding any other provision of law, as to any petition filed by a Phase II Utility, as that term is defined in subdivision A 1 of § 56-585.1 of the Code of Virginia (Phase II Utility), on or after July 1, 2026, pursuant to clause (iv) of subdivision A 6 of § 56-585.1 of the Code of Virginia for recovery of costs relating to the replacement of overhead distribution

facilities with new underground facilities (strategic undergrounding program), the Phase II Utility shall not seek any annual incremental increase in the level of investments associated with such a petition that exceeds three percent of such utility's distribution rate base, as such rate base was determined for the most recently ended 12-month test period in the Phase II Utility's most recently concluded biennial review proceeding conducted pursuant to subdivision A 3 of § 56-585.1 of the Code of Virginia prior to the filing of such petition, and any strategic undergrounding program of the Phase II Utility for which cost recovery is sought pursuant to clause (iv) of subdivision A 6 of § 56-585.1 of the Code of Virginia shall have an overall cap of 4000 miles of overhead distribution facilities converted to underground service. That, further, a Phase II Utility shall permit a customer executing a new electric service agreement on or after July 1, 2026, or a customer that executed a new electric service agreement between July 1, 2024, and July 1, 2026, to serve facilities that are under construction as of July 1, 2026, that has a contracted or measured electric demand of 25 megawatts or greater and an anticipated or measured average annual electric load factor of 75 percent or greater which maintains a full-time equivalent employment workforce engaged in manufacturing, industrial, or consumer goods warehousing and distribution activities other than data storage, of at least 200 individuals at facilities located within the Phase II Utility's service territory at a single or contiguous customer account location to elect to take service on any rate schedule for which such customer qualifies based on its contracted or measured electric demand, regardless of anticipated or measured annual electric load factor, provided, however, that the electric demand, in the aggregate, of such electing customers shall not exceed 150 megawatts, and the electric demand of any individual customer shall not exceed 50 megawatts, unless the State Corporation Commission (the Commission), in its discretion, determines that exceeding that aggregate cap is in the public interest. In determining the average annual electric load factor of any such customer, or of any such customer making such an election on or before July 1, 2026, the determination of average annual electric load factor shall be in accordance with the Commission-approved terms of the default rate schedule applicable to such customers on and after January 1, 2027. And that, further, with respect to any petition filed by a Phase II Utility between May 1, 2026, and July 15, 2026, for a financing order regarding deferred fuel costs as provided in § 56-249.6:2 of the Code of Virginia, the provisions of the fourth enactment of Chapter 757 or the fourth enactment of Chapter 775 of the Acts of Assembly of 2023 shall apply to any retail customer that is receiving electric service from the Phase II Utility whose demand exceeded five megawatts during calendar year 2025."
Page 668, line 30, strike "8", insert "9".
Page 668, line 31, strike "9", insert "10".
Page 668, line 31, strike "and fourth", insert "fourth and eighth".

Explanation:

(This amendment modifies requirements related to the regulation of electric utilities.)

Item 4-14 #4s

Effective Date

Effective Date	Language

Language:

Explanation:

(This amendment is a placeholder for language to establish a retail cannabis marketplace in the Commonwealth.)