Senate Proposal

HB 30 (2026-28 Biennial Budget)

June 16, 2026

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Overview and Resources

2026 Session Outlook – Recap

Mandatory budget pressures are outpacing revenue growth and will require attention for structural balance through the next biennium.

Medicaid and K-12 rebenchmarking needs are outpacing revenue growth. Large one-time balances can temporarily bridge the gap but should not be relied upon long-term.

- Federal actions are contributing to pressure on GF revenue and spending.
  - Revenue growth is expected to slow due to cuts in the federal workforce and Virginia's overexposure to professional and business sector jobs also being reduced by federal contract reductions.
  - H.R. 1 shifts significant costs for the SNAP program to Virginia and requires additional spending to implement the work requirement under Medicaid. The introduced budget did not account for the $211.0 million potentiality needed if the SNAP error rate remains above 10.0 percent. The Committee budget sets aside $135.0 million for this purpose.
  - Members decided on conformity decisions in Chapter 7 (HB 29), providing certainty for taxpayers prior to filing season and continuity of the pass-through entity tax.
  - Further federal actions could reduce federal appropriations to the state or modify tax provisions impacting Virginia's revenue.
- Members will need to evaluate options to align future spending with projected resources.

Senate Proposal Prioritizes Affordability & Structural Balance

Affordability in the short- and long-term through investments in the budget:

- Standard deduction increase: $9,200 for single filers and $18,400 for joint filers;
- Rebate: $100 for single filers and $200 for joint filers;
- K-12 and Childcare: $50.9 million for At-Risk, $50.0 million for flexible per-pupil, $51.2 million for Special Education, $17.6 million for school breakfast, and $50.0 million for a childcare pilot;
- Healthcare: increase in Medicaid personal care and waiver rates, maintains prenatal care program, and $200.0 million for the expiring enhanced ACA tax credits;
- Housing/Eviction Diversion/Utilities: $75.0 million for the Housing Trust Fund, $13.0 million for the Eviction Prevention and Diversion Program, and $20.0 million for the Clean Energy Innovation Bank; and
- 4.0 percent pay raises per year for teachers and 3.5 percent per year for state employees & for state-supported locals.
- Builds a structurally balanced budget with ongoing resources – including an impact fee on data centers' diesel generators.

Chapter 7 (HB 29) Resources

Changes to General Fund Resources Available for Appropriation			
(Biennial $ in millions)	Chapter 725	Chapter 7 (HB 29)	Change
Net Balance Adjustments	**$4,533.5**	**$6,283.0**	**$1,749.6**
Chapter 725 Revenue Estimate	$62,021.4	$62,021.4	$0.0
GACRE Forecast Adjustments	-	915.1	915.1
Post-GACRE Adjustments	-	9.0	9.0
Tax Conformity	0.0	99.3	99.3
Total GF Official Revenue Estimate	**$62,021.4**	**$63,044.8**	**$1,023.4**
Transfers	**$2,962.3**	**$3,326.0**	**$363.7**
GF Resources Available for Appropriation	**$69,517.2**	**$72,653.8**	**$3,136.6**
Unappropriated Balance			$47.0
HB 29 Change in Available Resources ($5.2 m adjustment for Chp. 6)			3,131.3
HB 29 Operating Spending Changes			(861.9)
HB 29 Capital GF Spending Changes			0.0
Chapter 7 Unappropriated Balance			**$2,316.4**

Senate Proposal HB 30 Resources

HB 30 (Biennial $ in millions)	HB 30	Senate Proposal	Total
FY 2026 Carryforward Balance and FY 2026 Surplus	$2,124.7	$777.2	$2,901.9
Chapter 725 GF Revenue and Transfers	64,513.6	-	64,513.6
Economic GF Forecast Adjustments	5,292.9	922.6	6,215.5
Net Assumed Tax Policy Actions	(632.7)	2,509.2	1,876.5
Adjustments to Balance	(1.0)	9.4	8.4
Transfer Adjustments	(7.1)	247.7	240.6
Total GF Resources Available for Appropriation	**$71,290.4**	**$4,466.1**	**$75,756.5**
Chapter 725 Base Budget, Adjusted Base	$65,436.6	$0.0	$65,436.6
Operating Spending	4,658.4	3,899.9	8,558.3
Capital Outlay Spending	890.0	839.8	1,729.8
Total Appropriations	**$70,985.0**	**$4,740.2**	**$75,724.7**
Unappropriated Balance			**$31.7**

Senate Proposal: Resource Policy Actions

Resource Actions Impacting General Fund			
($ in millions)	**FY 2026**	**FY 2027**	**FY 2028**
Remove Introduced Tax Actions	$101.6	$242.5	$390.2
Conformity HB 29, as enrolled	99.3	156.1	118.3
Reforecast FY 2027 & FY 2028	-	582.4	340.2
Cannabis Sales Tax	-	-	15.3
Data Center Impact Fee	-	582.1	1,164.1
Standard Deduction ($9,200/$18,400)	-	(51.0)	(108.4)
K-12 Sales Tax Transfer Reforecast	-	7.4	5.7
K-12 Sales Tax Transfer Cannabis	-	-	1.9
Cannabis Control Authority Net Profit Transfer	-	-	16.1
Racing Commission Transfer	-	5.0	5.0
Balance Adjustments	-	9.4	-
Reforecast FY 2026 – Estimated Revenue Surplus	-	585.5	-
Interest Earnings and Unused Nongeneral Fund Balances	0.0	207.4	0.0
Total	**$200.9**	**$2,326.8**	**$1,948.4**

- Increase the state standard deduction from $8,750 to $9,200 for single filers and from $17,500 to $18,400 for joint filers.
- Extends the standard deduction and earned income tax credit sunset date to January 1, 2030.

Data Center State Impact Fee

- Imposes a tiered state impact fee upon every data center generator permitted by the Department of Environmental Quality (DEQ) based on the permitted generator's rated capacity and emission standards.
- The fee is as follows:
  - $45.00 per permitted kWe on any Tier 1 and Tier 2 generator;
  - $37.00 per permitted kWe on any Tier 2 backup generator retrofitted to be a Tier 4 equivalent backup generator, Tier 3, and any generator powered by natural gas; and
  - $35.00 per permitted kWe on any Tier 4 generator or any other generator.
- Beginning January 1, 2027, the fee will be remitted quarterly to the Department of Taxation and deposited to the general fund.

Six-Year Financial Plan Demonstrates Structural Balance with Proposed Spending

GENERAL FUND RESOURCES ($ in millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Beginning Balance	$2,316.4	$3.4	$31.7	$85.8	$317.1	$388.5
General Fund Resources	$34,046.6	$35,119.0	$36,544.7	$38,183.5	$39,951.4	$41,722.1
Resource Changes	$2,326.0	$1,948.4	$1,808.7	$1,569.8	$1,254.0	$1,235.5
Total Resources	**$38,689.0**	**$37,070.9**	**$38,385.1**	**$39,839.2**	**$41,522.6**	**$43,346.1**

GENERAL FUND APPROPRIATIONS	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Introduced Operating Appropriations	$34,760.2	$35,334.7	$36,632.7	$37,635.1	$38,925.4	$39,952.6
Operating Appropriation Change	$2,565.5	$1,334.4	$1,466.5	$1,686.9	$2,008.7	$2,353.8
Total Operating Appropriation	**$37,325.7**	**$36,669.2**	**$38,099.2**	**$39,322.1**	**$40,934.1**	**$42,306.3**
Introduced Capital Appropriations	$690.0	$200.0	$200.0	$200.0	$200.0	$200.0
Capital Appropriation Change	$669.8	$170.0	$0.0	$0.0	$0.0	$0.0
Total Capital Appropriation	**$1,359.8**	**$370.0**	**$200.0**	**$200.0**	**$200.0**	**$200.0**
Total GF Appropriations	**$38,685.5**	**$37,039.2**	**$38,299.2**	**$39,522.1**	**$41,134.1**	**$42,506.3**
Resources Less Appropriations	**$3.4**	**$31.7**	**$85.8**	**$317.1**	**$388.5**	**$839.8**

Public Education & Other Education

Overview of Direct Aid in HB 30

The Senate Proposal provides a net increase of $1.3 billion GF to Direct Aid. This includes:

- $579.0 million GF over the biennium in initial biennial rebenchmarking and technical costs, primarily driven by changes in non-personnel costs and offset by enrollment declines and VRS rate adjustments (details in Appendix);
- $770.8 million GF over the biennium to support the state share of a 4.0 percent compensation increase in each year for instructional and support positions;
- Targeted support for high-need student groups, including $50.9 million GF over the biennium to increase the At-Risk add-on, $51.2 million GF over the biennium to increase the special education add-on, and $17.6 million GF over the biennium to increase the school breakfast reimbursement rate;
- $50.0 million GF to increase the Infrastructure and Operations Per Pupil amount;
- $50.0 million GF to support the Employee Child Care Assistance Program; and
- Supplanting $235.0 million GF over the biennium with a like amount from the Literary Fund to support teacher retirement.

HB 30 Direct Aid: Summary of Policy Changes

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
4.0% Compensation Supplement Per Year	$382.9	$387.9	$770.8
Literary Fund Support for Teacher Retirement (supplants GF with NGF from the Literary Fund)	(285.0)	50.0	(235.0)
Increase At-Risk Add-On	-	50.9	50.9
Increase Infrastructure & Operations Per Pupil	-	50.0	50.0
Lottery Adjustment (FY 2026 residuals, supplants GF with NGF from the Lottery Proceeds Fund)	-	(18.0)	(18.0)
K-12 Sales Tax Adjustment (reforecast + new policy action)	-	20.1	20.1
Increase Special Education Add-On by 2.0%	-	51.2	51.2
Increase School Breakfast Reimbursement Rate by $0.22	-	17.6	17.6
Early Childhood Provisional Licensure Program	0.2	-	0.2
State Share of Funding for New River Valley Governor's School	0.4	-	0.4
State Share of Funding for Linwood Holton Governor's School	0.1	-	0.1
Supplemental Education Amendments (detail in Appendix)	0.7	25.5	26.2
Total	**$99.3**	**$635.2**	**$734.5**

Nongeneral Fund Actions

- **School Construction:** Proposes $324.0 million NGF the first year and $25.0 million NGF the second year to support school construction.
- **Infrastructure & Operations Per Pupil:** Provides $50.0 million GF in FY 2028 to increase the Infrastructure & Operations Per Pupil amount.

HB 30 Direct Aid: Early Childhood and Select Language Amendments

Early Childhood

- Provides $50.0 million GF over the biennium to support the Employee Child Care Assistance Program in line with legislation passed during the 2026 Session.
- Redirects $137.3 million GF over the biennium in nonparticipation savings from the Virginia Preschool Initiative to create an estimated additional 6,745 birth-to-five slots in the Child Care Subsidy Program.

Select Language Amendments

- Authorizes the Department of Education (DOE) to withhold a portion of Lottery-funded payments to school divisions that do not comply with Annual School Report reporting requirements. Requires DOE to create guidance for this policy to correct compliance and has a delayed effective date of FY 2028.
- Requires divisions to receive approval from the Board of Education to begin participating in an existing Governor's School program, provides notice that additional state funds are subject to the appropriation of the Governor and General Assembly, and requires new academic year Governor's Schools to receive General Assembly approval.
- Clarifies that public charter schools, regional charter schools, and joint and regional schools cannot be excluded from consideration for School Construction Assistance Program grants by local school boards.
- Directs DOE to review funding mechanisms for regional career and technical education centers and make recommendations for potential changes.

HB 30 Public Education: Summary of Amendments

Department of Education, GF Actions ($ in millions)	HB 30	Senate Proposal	Total
Learning Management System	$0.0	$5.1	$5.1
Support Virginia IEP System	2.0	-	2.0
Updated Assessment System Costs	2.4	-	2.4
Child Care Accounts	2.0	(2.0)	-
Support Impact of Passed Legislation	-	2.5	2.5
Support Jt. Subcommittee on Elementary and Secondary Education Funding	-	1.3	1.3
EBT Program Administrative Fund	0.3	0.0	0.3
Total	**$6.7**	**$6.9**	**$13.6**

An amendment in Central Appropriations provides $50.0 million GF the first year for the development of a statewide financial system to facilitate financial reporting from school divisions to the state.

Virginia School for the Deaf and the Blind (VSDB)

- Proposes $2.2 million GF each year and 27.0 positions to support actual and projected enrollment growth at VSDB.

HB 30: Other Education

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
Science Museum of Virginia - Northern Virginia Science Center	$2.2	$0.0	$2.2
Science Museum of Virginia - Operating Support	-	0.3	0.3
Virginia Museum of Fine Arts - Utilities, Information Tech, and Security	1.0	-	1.0
Library of Virginia - State Aid to Local Libraries	-	2.0	2.0
Jamestown-Yorktown Foundation - Operating Support	-	0.3	0.3
Frontier Culture Museum - Operating Support	-	0.3	0.3
Gunston Hall - Operating Support	0.0	0.3	0.3
Total	**$3.2**	**$3.2**	**$6.4**

Nongeneral Fund Actions

- **Science Museum of Virginia – Northern Virginia Science Center.** In addition to the general fund noted above, provides $3.2 million NGF the first year and $3.2 million NGF the second year to support start-up and ongoing operations costs at the Northern Virginia Science Center, expected to open in spring 2027.
- **Virginia Museum of Fine Arts.** In addition to the general fund noted above, provides $258,064 NGF over the biennium to support increased costs in information technology, security personnel, and utilities.

Higher Education

Overview of Senate Proposal to Higher Education in HB 30

The Senate Proposal to Higher Education totals $321.5 million GF over the biennium when combined with the introduced budget, including:

- $100.0 million GF to maintain affordability for in-state undergraduate students;
- $65.0 million GF for undergraduate financial aid;
- $25.7 million GF for the Workforce Credential Grant program (Fast Forward);
- $25.0 million GF for one-time funding to align higher education operations to enrollment levels; and
- $15.4 million GF for the Tuition Assistance Grant Program.

Higher Education

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
Maintain Affordability	$27.5	$72.5	$100.0
Undergraduate Financial Aid	15.0	50.0	65.0
Workforce Credential Grant	13.6	12.1	25.7
Virginia Military Survivors and Dependents Education Waivers	40.0	-	40.0
One-Time Support to Align Operations to Enrollment Projections	-	25.0	25.0
IALR: GO TEC Administration	9.3	(9.3)	-
VCU: Expand Healthcare Workforce	3.8	(3.8)	-
VT: Expand Healthcare Workforce	3.8	(3.8)	-
Military Survivors and Dependents Education Stipends	2.5	-	2.5
RU: Nursing Program Support	2.1	-	2.1
Virtual Library of Virginia Consortium	1.1	-	1.1
JMU: Fast Flex Nursing Program	1.0	1.0	2.0
VT Cooperative Extension Operating Support	1.0	0.6	1.6
VIMS: Blue Crab Stock Assessment	0.9	-	0.9
VIMS: Algal Blooms Study	0.7	(0.7)	-
UMW: Graduate Nursing Program	0.7	-	0.7
Mental Health Workforce Grants	0.5	(0.5)	-
SVHEC: Equipment Funding	(0.2)	-	(0.2)

Higher Education (Continued)

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
NCI: Address Status	($3.2)	$3.2	$0.0
SVHEC: Expand Instructional Capacity	-	0.5	0.5
SWHEC: Simulation Laboratory Staff	-	0.4	0.4
RHEA: Operations Support	-	0.4	0.4
NSU: Enterprise Resource Planning	-	2.0	2.0
UMW: Enterprise Resource Planning	-	2.0	2.0
VSU: Enterprise Resource Planning	-	2.0	2.0
CWM: Community Law Clinic	-	0.7	0.7
CNU: Science and Engineering Research Center	-	2.3	2.3
UVA-W: Enrollment and Retention	-	1.0	1.0
GMU: Civics Education Pilot Program	-	0.3	0.3
SCHEV: Tuition Assistance Grant Program	-	15.4	15.4
SCHEV: Medical Education Grant for Service	-	3.3	3.3
VSU: HBCU Partnership	-	12.0	12.0
NSU: HBCU Partnership	-	12.0	12.0
VSU Ext: Operating Support	-	0.6	0.6
SCHEV: Space Grant	0.0	0.2	0.2
Total	**$120.1**	**$201.4**	**$321.5**

Higher Education Language Items

- **Senate Proposal:**
  - Removes authorization for use of nongeneral funds from the Virginia College Savings Plan to support tuition waiver programs, including the Virginia Military Survivors and Dependents Education Program (VMSDEP).
  - Authorizes the State Council of Higher Education for Virginia to 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.
  - Clarifies that the mental health workforce program is ongoing by removing “pilot” from the description.
  - Removes language related to a tuition cap included in the introduced budget.

Health and Human Resources

Overview of Senate Proposal to Health and Human Resources in HB 30

Senate Proposal provides an additional $118.3 million GF in FY 2027 and $236.9 million GF in FY 2028 for a net increase of $3.0 billion over the biennium when added to the introduced budget.

Significant Senate spending amendments include:

- $200.0 million GF for marketplace health insurance subsidies;
- $135.0 million GF for SNAP benefits dependent on the state's error rate;
- $50.0 million GF for grants for drinking water projects;
- $44.3 million GF for increased personal care rates;
- $31.8 million GF for core public health services;
- $29.5 million GF to restore the FAMIS prenatal program;
- $22.5 million GF for increased DD waiver services rates; and
- $13.2 million GF for Ryan White HIV/AIDS Part B Services.

Department of Medical Assistance Services (DMAS)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Medicaid Utilization and Inflation	$2,771.4	$0.0	$2,771.4
Adjust Health Care Fund	93.6	-	93.6
Senate Proposal: DD Waiver Services Rates	59.3	22.5	81.7
FAMIS Utilization and Inflation	80.1	-	80.1
Senate Proposal: Personal Care Rate Increase	-	44.3	44.3
Senate Proposal: Restore FAMIS Prenatal Program	(29.5)	29.5	0.0
Senate Proposal: Sickle Cell Gene Therapy	-	7.0	7.0
Senate Proposal: Graduate Medical Education Residencies	-	5.4	5.4
Centralized Call Center and Eligibility Operations	4.7	-	4.7
Children's Health Insurance Programs	4.7	-	4.7

DMAS (Continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: Vagus Nerve Stimulator Add-On Medicaid Payment	$0.0	$1.3	$1.3
Senate Proposal: Medicaid Program Integrity Vendor	-	1.0	1.0
Senate Proposal: VHCF Project Connect	-	0.5	0.5
Eliminate Biennial Inflation for Medical Assistance Providers	(238.2)	-	(238.2)
Appropriate Utilization of Crisis Services	(108.0)	-	(108.0)
Appropriate Utilization of ABA	(67.6)	-	(67.6)
Administrative Inefficiencies in Managed Care	(45.8)	-	(45.8)
Standardize Hourly Limits across Home & Community-Based Waivers	(44.8)	-	(44.8)
Senate Proposal: MCO Profit Sharing and Capital Allowance	-	(30.3)	(30.3)
Preferred Rebate on GLP-1 Drugs	(25.9)	-	(25.9)

DMAS (Continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Align the Adult Dental Benefit with other Insurance Plans	($23.6)	$0.0	($23.6)
Remove Duplicative Members Enrolled in Other States	(11.5)	-	(11.5)
Supplemental Drug Rebates for Continuous Glucose Monitors and Related Supplies	(4.8)	-	(4.8)
Streamline Service Facilitation	(4.4)	-	(4.4)
Changes in the Preferred Drug List	(3.3)	-	(3.3)
Medical Services for Involuntary Mental Commitments	(3.2)	-	(3.2)
Senate Proposal: Capture Administrative Savings	-	(2.6)	(2.6)
Strengthen Oversight of Personal Care Services	(2.2)	-	(2.2)
Eliminate Automatic Increases for PRTFs and ARTS Providers	(2.0)	-	(2.0)
Senate Proposal: PBM Contract & Related Pharmacy Savings	0.0	(1.3)	(1.3)
Total	**$2,399.0**	**$77.2**	**$2,476.2**

DMAS Language Items

- **Senate Proposals:**
  - Delays the next phase of the redesign of behavioral health services until July 1, 2027.
  - Delays implementation of the single pharmacy benefits manager for Medicaid until July 1, 2027, to allow time for the procurement process.
  - Delays the rebasing of nursing home rates for one year to allow more time for analysis of the change in the methodology and its impacts.
  - Creates a Medicaid Financial Sustainability Workgroup to analyze expenditure trends and identify strategies to moderate the rate of spending growth while preserving access to quality care.

Department of Behavioral Health & Developmental Services (DBHDS)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: Marcus Alert Funding	$0.0	$11.4	$11.4
Senate Proposal: Comprehensive Psychiatric Emergency Prog.	-	5.0	5.0
Senate Proposal: Discharge Planning Funds	-	3.0	3.0
Senate Proposal: State Rental Assistance Program	-	2.0	2.0
Senate Proposal: Bennett's Village Playground	-	1.5	1.5
Senate Proposal: Recovery Residences Regulations **(SB 270)**	-	0.6	0.6
Senate Proposal: Mile High Kids Community Development	-	0.5	0.5
Senate Proposal: Specially Adapted Resources Clubs (SPARC)	-	0.5	0.5
Senate Proposal: Marcus Alert Evaluation Analyst	-	$0.3	$0.3
Service Dogs of Virginia	0.3	-	0.3
Virginia 988 Suicide and Crisis Lifeline Service	(5.4)	-	(5.4)
Total	**($5.1)**	**$24.8**	**$19.6**

DBHDS Language Items

- **Senate Proposals:**
  - Adds oversight requirements for the Permanent Injunction with the U.S. Department of Justice to include reporting on spending and compliance;
  - Examines alternatives to the 10.0 percent local match requirement on state Community Services Board funding;
  - Directs DBHDS to identify strategies to serve more individuals subject to an ECO or TDO in crisis facilities; and
  - Requires the annual performance contracts with Community Services Boards to maximize billing of Medicaid services.

Department of Social Services (DSS)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: SNAP Benefits Cost Share	$0.0	$135.0	$135.0
SNAP Administrative Costs	100.4	-	100.4
Senate Proposal: Centralized Intake, State Oversight Mechanism for Local Departments of Social Services, and Priority Response **(SB 640)**	36.5	(29.2)	7.2
Increase Salary Minimum for LDSS Family Services Employees	6.9	-	6.9
Senate Proposal: Child Advocacy Centers Grants	-	2.5	2.5
SNAP Quality Insurance Team	2.4	-	2.4
Senate Proposal: Payment Error Rate Vendor	-	2.0	2.0
Senate Proposal: Workforce Development in Fairfax County and Prince William County	-	1.5	1.5
Senate Proposal: Virginia Children's Partnership	-	1.5	1.5
Centralized Printing, Postage, and Courier Services	1.2	-	1.2
Increase SNAP Quality Control Reviewer Salaries	1.2	-	1.2

DSS (continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: Roanoke Pilot Multidisciplinary Law Office	$0.0	$0.7	$0.7
Senate Proposal: Child Welfare Workforce	-	0.6	0.6
Senate Proposal: Food Assistance Grants	-	0.5	0.5
Senate Proposal: Swim Safety	-	0.3	0.3
Senate Proposal: Lorton Community Action Center	-	0.3	0.3
Senate Proposal: Sacred Heart Center	-	0.1	0.1
Underutilization of the Relative Maintenance Payment Program	(12.0)	-	(12.0)
Child Welfare Forecast	(5.8)	-	(5.8)
Supplant GF with TANF for Discretionary Activities and Remove Pilot	(4.4)	-	(4.4)
Remove SNAP Overissuance Settlement Funding and Edit Language	(2.7)	-	(2.7)
TANF and VIEW Forecast	(2.0)	0.0	(2.0)
Total	**$121.7**	**$115.7**	**$237.4**

DSS Language Items

- **Senate Proposals:**
  - Requires DSS to establish and maintain a quality control methodology for determining each local department of social services' (LDSS) SNAP payment error rate and publish local error rates on its website alongside the state error rate by June 30 of each year;
  - 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; and
  - Clarifies that DSS cannot alter local match rates, methodologies, or policies in any manner that would increase the state share of program costs unless authorized by the General Assembly or required by federal law.

Department of Health (VDH)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: Grants for Drinking Water Projects	$0.0	$50.0	$50.0
Senate Proposal: Public Health Core Services & Nursing Home Medical Facility Inspectors	0.6	31.8	32.4
Electronic Health Records System	15.1	-	15.1
Senate Proposal: Ryan White HIV/AIDS Services	-	13.2	13.2
Senate Proposal: Association of Free and Charitable Clinics	-	10.0	10.0
Senate Proposal: Rescue Squad Assistance Fund	-	5.0	5.0
Senate Proposal: Community Health Centers	-	5.0	5.0
Senate Proposal: Enhance Contraceptive and Prevention Services	-	3.0	3.0
Senate Proposal: Perinatal Health Hubs Pilot	-	2.5	2.5
Senate Proposal: Sickle Cell Coordinated Access Network **(SB 813)**	-	1.8	1.8
Senate Proposal: Adult Sickle Cell Program	-	1.5	1.5
Rent Increases at Local Health Departments	1.3	-	1.3
Senate Proposal: Maternal Infant Early Childhood Home Visiting	-	1.2	1.2
Senate Proposal: Pediatric Sickle Cell Program	-	1.1	1.1

VDH (Continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Senate Proposal: Healthier757 Initiative	$0.0	$1.0	$1.0
Senate Proposal: Sickle Cell Awareness and Education Program	-	0.8	0.8
Senate Proposal: Severe Maternal Morbidity Surveillance and Review Program	-	0.6	0.6
Senate Proposal: Adler Impatient Hospice Center	-	0.3	0.3
Senate Proposal: Sudden Unexpected Death in Epilepsy Program (SUDEP)	-	0.3	0.3
Senate Proposal: Nursing Home Operator License **(SB 247)**	-	0.3	0.3
Senate Proposal: Voter Registration Lists	-	0.2	0.2
Senate Proposal: ETSI Health Clinic	-	0.1	0.1
Senate Proposal: Rx Partnership	-	0.1	0.1
Supplant GF with TANF for Discretionary Activities	(14.8)	-	(14.8)
Reduce Office of Drinking Water Excess GF	(4.5)	-	(4.5)
Extend NOVA Firefighter Occupational Screening Pilot Program	(0.4)	0.0	(0.4)
Total	**($2.7)**	**($129.7)**	**($126.9)**

VDH Language Items

- **Senate Proposals:**
  - Amends the introduced budget language by transferring nursing scholarship and loan repayment programs from VDH to the Virginia Health Workforce Development Authority to be consistent with Senate Bill 405;
  - Directs the Department of Health to establish a workgroup on childhood immunization schedules and immunizations for public health to improve the availability and affordability of vaccines with respect to insurance coverage;
  - 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;
  - Restores taxpayer funding for abortion services related to fetal abnormalities; and
  - Ensures pharmacists can administer new flu and COVID-19 vaccines based on the 2026 vaccination schedules approved by the Food and Drug Administration (FDA).

Other Health and Human Resources (HHR) Agencies

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Children's Services Act			
Children's Services Act Forecast	$136.1	$0.0	$136.1
Reduce Match Rate on Community-Based Services	(22.6)	-	(22.6)
Private Day Services 2.5 Percent Growth Limit	(7.1)	-	(7.1)
Eliminate Automatic Inflation for Residential Treatment Providers	(3.7)	-	(3.7)
Senate Proposal: Remove the Office of Children's Services Study Funding	-	(0.2)	(0.2)
Department of Aging and Rehabilitative Services			
Senate Proposal: Long Term Care Ombudsman / Area Agencies on Aging	0.8	5.0	5.8
Increase Vocational Rehabilitation State Match Support Federal Grant	2.0	-	2.0
Senate Proposal: Workforce Retention for Brain Injury Services	-	1.5	1.5
Senate Proposal: Community Brain Injury Services	-	1.0	1.0
Senate Proposal: Availability of Villages Statewide	-	0.6	0.6
Align Personal Assistance Services with Medicaid Waiver Rates	0.1	-	0.1
Adjust Appropriation to Reflect Agency Operations	(0.6)	-	(0.6)

Other HHR Agencies' Language

Senate Proposals:

- Ensures proper use of Special Education Wrap Around Services;
- Clarifies Private Day Educational Services rate growth; and
- Directs the Secretary of HHR to convene a task force on the SNAP error rate reduction status, the implementation of Medicaid community engagement requirements, and coordinate efforts with the Secretary of Labor to ensure Medicaid members subject to the work requirement are connected to work opportunities.

Public Safety and Veterans

Overview of Senate Proposal Amendments in Public Safety & Veterans in HB 30

Senate Proposal amendments to HB 30 in Public Safety & Veterans total a net increase of $23.0 million GF over the biennium, for a total increase of $232.3 million GF in policy changes compared to the previous biennium.

Proposal includes:

- $18.6 million GF to expand community violence reduction grants;
- $20.0 million GF in one-time grants for firefighting equipment and vehicles;
- $8.2 million GF for a $1,000 retention bonus for employees working in facilities at the Department of Corrections and Department of Juvenile Justice; and
- $6.0 million GF for sexual assault and domestic violence survivor agencies.

Public Safety & Homeland Security

(GF $ in millions)	HB 30	Senate Proposal	Total
VSP: Operational Cost – **S Proposal**: Delay Third Trooper School to FY 2028	$114.4	($20.6)	$93.8
DOC: Inmate Medical Cost Increases	59.7	-	59.7
Dept. of Emergency Management (VDEM): Operations (Anticipation of Potential Federal Reductions)	12.0	(12.0)	-
Dept. of Juvenile Justice: Local Placements for State-Responsible Youth	5.5	-	5.5
Dept. of Crim. Justice Services (DCJS): Continue Program to Reimburse Local Law Enforcement for Civil Commitment Transportation	2.0	(2.0)	-
VDEM: Emergency Communications	0.7	(0.7)	-
DFS: Forensic Scientists (2.0) for Workload Increases	0.6	-	0.6
VDEM: Vehicle and Warehouse Lease Cost Increases	0.5	-	0.5
DOC: State Share Jail Renovations	0.3	1.2	1.5
DCJS: Drug Abuse Resistance Education (DARE) Program Increase	0.1	-	0.1
DCJS: Complete Sex Trafficking Prevention Pilot Program	(0.4)	-	(0.4)
DOC: Discontinue Career Pipeline Pilot Program	(0.5)	-	(0.5)

Public Safety & Homeland Security (Continued)

(GF $ in millions)	HB 30	Senate Proposal	Total
DFP: Fire Equipment and Vehicle Grants Fiscally Distressed Localities	$0.0	$20.0	$20.0
DCJS: Safer Communities Expansion (Newport News, Hampton)	-	13.0	13.0
DOC & DJJ: Facility Staff Bonus ($1,000)	-	8.2	8.2
DCJS: Sexual Assault and Domestic Violence Survivor Services	-	6.0	6.0
DCJS: Firearm Violence Intervention (Chesapeake, Hopewell, Virginia Beach)	-	1.5	1.5
DCJS: Targeted Community Violence Reduction Grants	-	4.1	4.1
DCJS: Court Appointed Special Advocates	-	4.8	4.8
DOC: Body-Worn Cameras for High Security Facilities	-	2.2	2.2
DOC: Improve Inmate Transfer Placements	-	2.6	2.6
DOC: Recruitment Contract Support	-	0.3	0.3
VSP: Missing Person Alert System	-	0.4	0.4
Legislation (including "Woodrums")	-	5.6	5.6
DCJS: School Resource Officer Grants Adjust to Utilization	0.0	(9.0)	(9.0)
Total	**$194.9**	**$25.6**	**$220.5**

Veterans

(GF $ in millions)	HB 30	Senate Proposal	Total
Dept. of Veterans Services (DVS): Puller Veterans Care Center Start-Up Operations	$9.1	($1.6)	$7.5
Secretary: Increase Military Community Infrastructure Grants	2.0	-	2.0
Dept. of Military Affairs (DMA): Personnel Cost Increases	1.0	-	1.0
DMA: Ft. Pickett Fire Department Positions (4.0)	1.0	(1.0)	-
DVS: National Center for Healthy Veterans at Valor Farms	0.6	-	0.6
DMA: Security Services Contract	0.5	-	0.5
DMA: Cash Management Software Development Cost Increase	0.2	-	0.2
DVS: Virginia Value Veterans (V3) Employer Incentives	0.1	(0.1)	-
DVS: Honor Guard Grant Program (HB 108)	0.0	<0.1	<0.1
Total	**$14.4**	**($2.6)**	**$11.8**

Public Safety and Veterans Language & NGF Amendments

Senate Proposal NGF Items include:

- $6.2 million NGF from unexpended balances in the School Resource Officer Incentive Grant Fund to be used for emergency response digital mapping for public colleges and universities;
- $1.0 million NGF from the Commonwealth Opioid and Abatement Remediation Fund to jail-based substance use disorder treatment grants; and
- Removes the proposed reallocation of $35.0 million NGF from the RGGI Low-Income Energy Efficiency Fund to disaster relief.

Senate Proposal Language-Only amendments include:

- Establishing reporting requirements for Virginia State Police and the Department of Military Affairs related to internal fiscal controls, including directing the Department of Planning and Budget to contract with an independent entity for a comprehensive audit of VSP's budget;
- Directing the Commonwealth's Attorneys' Services Council to study a shared infrastructure for Commonwealth's Attorneys' discovery materials;
- Directing DOC to examine policies used in other states to make medical services more cost effective and to contract with an independent entity to realign its security posts with its current needs;
- Prohibiting DOC from transferring amounts appropriated for education to a different purpose;
- Directing the Virginia Department of Emergency Management to submit a plan for regional storage of logistical supplies;
- Expanding eligibility for the existing grant program to combat hate crimes to include additional governmental and non-profit entities;
- Explicitly prohibiting Safer Communities program funding from being used for school safety officers and school resource officers; and
- Recommending further study of changes proposed in the introduced budget related to operating veterans care centers as a system, authorizing encroachment mitigation funding to be used for Marine Base Quantico, and establishing general fund firefighter positions at Fort Pickett.

Commerce & Trade – Economic Development

Overview of Senate Proposal to Commerce and Trade in HB 30

- Senate Proposal increases funding by $147.2 million GF compared to the introduced budget bill, for an overall increase of $227.0 million GF over the biennium.
- Significant Senate Proposal investments over the biennium include:
  - $75.0 million GF to increase the Virginia Housing Trust Fund;
  - $25.0 million GF to support weatherization efforts;
  - $20.0 million GF for the Virginia Clean Energy Bank;
  - $13.0 million GF for the Virginia Eviction Reduction Program; and
  - $7.0 million GF for Prentis Street Transmission water main improvements.

Commerce and Trade

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
DHCD: Adjust funding for Enterprise Zone Program	($1.0)	$0.0	($1.0)
DHCD: Adjust funding for Virginia Growth and Opportunity Fund	(9.3)	-	(9.3)
DHCD: Adjust support for Virginia Main Street Program	1.0	(0.3)	0.7
DHCD: Housing Development Database	-	0.5	0.5
DHCD: Income-Qualified Energy Efficiency and Weatherization Task Force	-	<0.1	<0.1
DHCD: Weatherization Assistance	-	25.0	25.0
DHCD: Increase Funding for Hampton Roads Planning District Commission	-	0.4	0.4
DHCD: Increase Virginia Housing Trust Fund	-	75.0	75.0
DHCD: Prentis Street Transmission Water Main Improvements	-	7.0	7.0
DHCD: Virginia Eviction Reduction Program	-	13.0	13.0
DHCD: Dumfries Main Street Revitalization	-	7.0	7.0
DHCD: Petersburg Aquaponics		1.4	1.4
DHCD: Residential Development Infrastructure Fund		5.0	5.0
DHCD: Homelessness Services	-	7.0	7.0
DHCD: Local Housing Trust Fund	-	5.0	5.0

Commerce and Trade (continued)

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
DHCD: Herndon-Reston FISH	$0.0	$0.2	$0.2
DHCD: Manufactured Home Park Registration	-	0.3	0.3
DHCD: HOME	-	0.3	0.3
DHCD: Sterling Foundation	-	<0.1	<0.1
DOE: Solar Interconnected Grant Fund	-	2.0	2.0
DOE: Support for Energy-Related Legislation	-	2.0	2.0
DOE: Virginia Clean Energy Innovation Bank	-	20.0	20.0
DSBSD: Capture savings from Business One-Stop Program	(<0.1)	-	(<0.1)
EDIP: Fast Acting Insulin	-	1.0	1.0
EDIP: Adjust payment of Virginia Economic Development Incentive Grant program	0.3	-	0.3
EDIP: Eliminate, add, or adjust custom incentive grant payments	46.9	-	46.9
EDIP: Increase funding for Business Ready Sites Program	10.0	-	10.0
EDIP: Increase funding for Virginia Investment Performance grant program	(1.8)	-	(1.8)
EDIP: Reduce Governor's New Airline Services Incentive Fund	(1.3)	-	(1.3)
EDIP: Remove Funding for Trade Missions	(1.0)	-	(1.0)

Commerce and Trade (continued)

GF Actions ($ in millions)	HB 30	Senate Proposal	Total
FMA: Capture Savings Based on Interest Earnings	($0.2)	$0.0	($0.2)
VEDP: Capture Savings Based on Interest Earnings	(1.6)	-	(1.6)
VEDP: Internship Program	-	1.0	1.0
VIPA: Capture Savings Based on Interest Earnings	(1.4)	-	(1.4)
VIPA: Biotechnology Funding	35.0	(35.0)	-
VIPA: Virginia Tech Patient Center	-	6.0	6.0
VIPA: VCU Medicines for All Institute	-	3.0	3.0
VIPA: Commonwealth of Virginia Science and Technology Fellowships	-	0.2	0.2
VTA: Capture Savings Based on Interest Earnings	(0.7)	-	(0.7)
VTA: Blue Highway Festival	-	0.1	0.1
VTA: Virginia Sports Hall of Fame	-	<0.1	<0.1
VTA: Sports Tourism Incentive Grant Program	5.0	0.0	5.0
Total	**$79.9**	**$147.2**	**$227.0**

Commerce and Trade Language Items

- **Senate Proposal:**
  - Technical changes to update language related to custom performance grant payments.
  - Incorporates the balance from the Virginia Business Ready Sites Acquisition Fund into the Virginia Business Ready Sites Program Fund. The transfer is directed in Part 3.
  - Extends a pilot emergency communications mobile application program in Health Service Area 3 that was funded in Chapter 725 for another year and increases the allocation from existing funding by $200,000 NGF.
  - Directs balances from the Low-Income Energy Efficiency Program Fund (02017) to the City of Charlottesville for development of a transitional housing and life skills facility.
  - Permits funds authorized for the Virginia Telecommunications Initiative in Chapter 725 to be used for unanticipated broadband make ready costs and costs associated with relocating facilities located in public right-of-way when mandated by the Commonwealth or federal government.
  - Directs balances from the Low-Income Energy Efficiency Program Fund (02017) to Albemarle County for development of an accessible walking trail to connect Biscuit Run Park and the Monacan Indian Tribute Park in the Southwood Mobile Home Park Redevelopment Project.

Labor

Overview of Senate Proposal for Labor in HB 30

- **Senate Proposal:** Increase funding in the Labor Secretariat by $15.0 million GF, compared to the introduced budget bill, for a total increase of $15.7 million GF over the biennium.
- **Senate Proposal Language Amendment:** Authorizes a treasury loan for the necessary start-up costs associated with implementation of the Paid Family and Medical Leave Program.

GF Actions for 2026-28 Biennium ($ in millions)	**HB 30**	**Senate Proposal**	**Total**
DOLI: Provide legal resources for litigation and whistleblower protection	$0.7	$0.0	$0.7
DOLI: **Senate -** Labor Law Support for Legislation	-	13.5	13.5
DWDA: **Senate -** Health Care Career and Technical Training & Education Fund	0.0	1.0	1.0
DWDA: **Senate** – Roanoke Valley Biomedical Workforce	0.0	0.5	0.5
Total	**$0.7**	**$15.0**	**$15.7**

Agriculture & Forestry

Overview of Senate Proposal for Agriculture and Forestry

- **Senate Proposal:** Increase funding by $3.6 million GF, compared to the introduced budget bill, for an overall increase of $4.0 million GF over the biennium and include:
  - $2.0 million GF to support Shenandoah County and Great Meadows Foundation Equine Events; and
  - $1.7 million GF provided for Cannabis Retail Market Regulation, across Weights and Measures and Food Safety and Security programs.
- **Senate Proposal Language Amendment:** Authorizes carryforward of general fund support provided for the Large Animal Veterinary Grant Program.
  - Chapter 725 (HB 1600) provided program $450,000 GF in the second year.

Agriculture and Forestry

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
VRC: **S Proposal** - Support Shenandoah County and Great Meadows Foundation Equine Events	$0.0	$2.0	$2.0
VDACS: **S Proposal** - Cannabis Retail Market Regulation – Weights and Measures	-	1.0	1.0
VDACS: **S Proposal** - Cannabis Retail Market Regulation – Food Safety and Security	-	0.6	0.6
DOF: Increase Funding for Firefighting Equipment	0.4	-	0.4
VDACS: Stabilize Metrology Funding	0.4	-	0.4
VDACS: Increase Appropriation for Division of Consolidated Laboratory Services Testing	0.1	-	0.1
VDACS: Decrease Deposit to the Spirits Promotion Fund	(0.1)	-	(0.1)
VDACS: Decrease Deposit to the Wine Promotion Fund	(0.2)	-	(0.2)
DOF: Adjust Funding for Reforestation of Timberlands Program	(0.2)	0.0	(0.2)
Total	**$0.4**	**$3.6**	**$4.0**

Natural and Historic Resources

Overview of Senate Proposal for Natural and Historic Resources in HB 30

- Senate proposal increases funding by $293.9 million GF, compared to the introduced budget bill, for an overall increase of $613.2 million GF over the biennium.
- Senate Proposal includes:
  - $188.9 million GF deposited into the Water Quality Improvement Fund (WQIF) for the nutrient removal program;
  - $50.0 million GF for the Richmond Combined Sewer Overflow Project; and,
  - $25.0 million GF deposited to the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund.

Natural and Historic Resources

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
DEQ: WQIF Funding for nutrient removal program (HRSD)	$140.6	$188.9	$329.4
DCR: Support WQIF and Virginia Agricultural Cost Share Program	144.1	-	144.1
DEQ: **S Proposal** - Richmond Combined Sewer Overflow Project	-	50.0	50.0
DEQ: Stormwater Local Assistance Fund	43.5	-	43.5
DCR: **S Proposal** - Soil and Water Conservation District Dam Repair	-	25.0	25.0
DCR: **S Proposal** - Virginia Conservation Assistance Program	-	4.0	4.0
DEQ: **S Proposal** - King George Wastewater Infrastructure Funding	-	3.5	3.5
DEQ: **S Proposal** - PFAS Monitoring and Reporting **(SB 138)**	-	2.8	2.8
DHR: **S Proposal** – Fincastle Museum	-	2.5	2.5
DHR: **S Proposal** - Black, Indigenous, and People of Color Historic Preservation Fund	-	2.0	2.0
MRC: **S Proposal** - Little Wicomico Dredging	-	2.0	2.0
SNR: **S Proposal** – Chincoteague Inlet Study	-	1.5	1.5
DCR: **S Proposal** - Lake Barcroft Dam	-	1.5	1.5
DEQ: **S Proposal** - Regional Water Supply Planning	-	1.5	1.5

Natural and Historic Resources (continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
DHR: **S Proposal** - 25th Remembrance of September 11, 2001	$ -	$1.5	$1.5
DEQ: **S Proposal** - Conduct Groundwater Research	-	1.2	1.2
DCR: Provide funding for Dam Safety, Flood Prevention, and Protection Fund	1.0	-	1.0
DHR: **S Proposal** - Accessibility Rehabilitation at Freedom House	-	1.0	1.0
DHR: **S Proposal** - Washington and Old Dominion Trail Visitors Center	-	1.0	1.0
DCR: Support Algal Bloom Remediation at Lake Anna	0.8	-	0.8
DCR: **S Proposal** - Lake Anna Harmful Algal Bloom (Cyanobacteria) Mitigation	-	0.5	0.5
DHR: Increase Easement Program Staff	0.5	-	0.5
DHR: **S Proposal** – Historic Fairfax Courthouse	-	0.5	0.5
DHR: **S Proposal** – Historic Nimmo Methodist Church	-	0.5	0.5
DEQ: **S Proposal** - SWIFT Model for Eastern Groundwater	-	0.5	0.5
DHR: Increase Easement Program Staff	0.5	-	0.5
DHR: **S Proposal** – Andrew Johnston House	-	0.3	0.3
DCR: **S Proposal** - Ranger Position for Breaks Interstate Park	-	0.3	0.3
DCR: **S Proposal** - Jones Pond Remediation at Caledon State Park	-	0.3	0.3

Natural and Historic Resources (continued)

GF Actions for 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
DHR: **S Proposal** – Dodona Manor	$0.0	$0.3	$0.3
MRC: Use of Dredged Materials	-	0.2	0.2
DHR: **S Proposal** – 9/11 Trail Alliance	-	0.2	0.2
DEQ: **S Proposal** - Waste-to-Energy Study **(SB 645)**	-	0.2	0.2
DHR: Provide Support for Chereonhaka (Nottoway) Walkway	0.2	-	0.2
DHR: **S Proposal** – Pocahontas Fuel Building	-	0.1	0.1
DEQ: **S Proposal** - Groundwater Study for Loudoun and Fauquier Counties	-	0.1	0.1
DHR: **S Proposal** – Moore Street School	-	<0.1	<0.1
DEQ: Ohio River Valley Sanitation District fee increase	<0.1	-	<0.1
DEQ: Align equipment funding with ongoing needs	(3.9)	0.0	(3.9)
DEQ: Virginia Clean Water Revolving Loan Fund Match	(8.0)	-	(8.0)
Total	**$319.3**	**$293.9**	**$613.2**

Natural and Historic Resources Language Items

- **Senate Proposal:**
  - Provides flexibility for South Central and Fredericksburg Enhanced Nutrient Removal Certainty (ENRC) Program priority projects to prioritize the use of funds from existing American Rescue Plan Act (ARPA) grants and maintain and defer WQIF grants until after all ARPA funds are used, for projects subject to a phased construction program with a completion date no later than January 1, 2030.
  - Directs the Department of Environmental Quality to use existing nongeneral funds to assist with addressing the liquids management and closing process, among other activities, to close the Shoosmith landfill located in Chesterfield County.

Transportation

Overview of Senate Proposal to Transportation in HB 30

- Recommends a net increase of $168.2 million GF over the biennium when combined with the introduced budget. Senate Proposal GF spending amendments include:
  - $153.0 million GF in FY 2027 to support Washington Metropolitan Area Transit Authority (WMATA) operating costs;
  - $19.0 million GF in FY 2027 for one-time transit capital assistance;
  - $300,000 GF in FY 2027 to study public transit in Hampton Roads (HJ 28);
  - Removal of $24.0 million GF in FY 2027 from the ERC Toll Relief program, while maintaining the introduced budget's $24.0 million GF in FY 2028 and ongoing; and
  - Removal of $15.0 million GF in FY 2027 from the Washington County Inland Port, while maintaining $20.0 million GF included in the introduced budget.
- Senate Proposal language amendments to HB 30 include:
  - Restoring funding for the Public Policy Day Washington D.C. Auto Show;
  - Providing ERC Toll Relief flexibility;
  - Updating Transportation Partnership Opportunity Fund notice language; and
  - Various studies and workgroups.

General Government

Overview of General Government in Senate Proposal for HB 30

- General Government includes the Legislative Branch, Judicial Branch, the Executive Offices, the Administration and Finance Secretariats, Central Appropriations, and Independent Agencies.
- **Senate Proposal adds $2.0 billion GF** over the introduced budget, a net increase totaling $2.8 billion GF over the biennium. Major GF spending includes:
  - $714.2 million GF to fund a 3.5 percent salary increase each year for state employees and state-supported local employees;
  - $490.2 million GF for a Fair Share Tax Rebate ($100/$200);
  - $430.7 million GF to fund the employer's share of state employee health insurance premiums including a lump sum deposit of $145.0 million GF;
  - $285.0 million GF to establish a Medicaid Reserve as a contingency for higher program costs; and
  - $200.0 million GF for a federal funding uncertainty grant program.
- Major GF savings include:
  - $95.5 million GF to reflect lower employer contribution rates for state employee retirement; and
  - $49.7 million GF to reflect lower employer contribution rates for the other post-employment benefit programs for state employees.

Legislative & Executive Offices

GF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
GA: Increase Legislator Pay to $50,000 in February 2028 (after the next election)	$0.0	$2.1	$2.1
Commission on Electric Utility Regulation: **Senate Proposal -** Funding for an Attorney Position	-	0.4	0.4
Joint Commission on Health Care: **Senate Proposal -** Medicaid Oversight Position	-	0.3	0.3
Commission on Youth: **Senate Proposal** - Funding for Third Staff Position	-	0.1	0.1
Mary J. Burton Review Panel, Civic Commission Website, Comm. on Unemployment	-	0.2	0.2
GA: **Senate Proposal** - Legislation Impacts	-	0.2	0.2
GOV: Office of Children's Ombudsman 2.0 Positions	0.6	-	0.6
Interstate Organizations	0.1	-	0.1
OAG: **Senate Proposal** - Operations and Staffing Costs; Worker Protection Unit	-	9.1	9.1
OAG: **Senate Proposal -** Staffing Costs for Legislation	-	1.6	1.6
OAG: **Senate Proposal -** Medicaid Fraud Control Unit Reporting	-	Language	Language
Sec. of the Commonwealth: **Senate Proposal -** Impact of Legislation and Operation Support	0.0	0.7	0.7
Total	**$0.7**	**$14.7**	**$15.4**

Judicial

GF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Criminal Fund Payment Increases, incl. Guardian Ad Litem Rate	$43.8	$0.0	$43.8
Expand Courtroom Videoconferencing Infrastructure	3.4	-	3.4
Judicial IT Cost Increases & Security Operations Center	3.8	-	3.8
Drug Treatment Court Evaluation Positions (Backfill NGF Revenue Declines)	0.3	-	0.3
Public Defender Support Staff	-	7.4	7.4
Court of Appeals Case Management System Modernization	-	7.3	7.3
Legislation	0.0	11.8	11.8
Total	**$51.3**	**$26.4**	**$77.7**

- **Language Amendment**: Directs the Office of the Executive Secretary of the Supreme Court to study the cost and feasibility of a unified efiling system for circuit courts.

Administration

GF and NGF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
CB: Sheriffs' Offices Positions **Senate Proposal Maintain Admin Positions**	$9.2	($7.8)	$1.4
CB: Commonwealth's Attorneys' Offices (Restore Underfunded, 9th Circuit)	-	0.9	0.9
CB: Career Development Program (Comm Atty, Circuit Court Clerks, Treasurers)	-	2.5	2.5
CB: Cost Increases Piedmont Jail and Victim Notification System; HB 61 Impact	-	0.4	0.4
DHRM: IT Investments, Data Warehouse, Disaster Recovery, Classification Study	0.7	0.6	1.3
DHRM: Commonwealth Leadership Academy (**Senate Proposal** removes)	0.2	(0.2)	-
DHRM: **Senate Proposal** - Internship Coordinator (SB 286)	-	0.4	0.4
DHRM: **Senate Proposal** – Virginia Management Fellows Progam	-	0.4	0.4
ELECT: Replace Campaign Finance System	3.3	-	3.3
ELECT: Mailing and Postage Costs	0.6	-	0.6
ELECT: **Senate Proposal** - Impact of Legislation (Rejoin ERIC, Voter Registration, Referendum)	-	1.3	1.3
DGS: **Senate Proposal** – Removal of Capitol Square Statues	-	2.0	2.0
VITA: Substance Use Disorder Data Analytics Platform	0.7 NGF	3.4 NGF	4.1 NGF
Total of GF Actions	**$14.0**	**$0.5**	**$14.5**

Finance Agencies

GF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
Treasury: Information Technology Positions	$1.4	$0.0	$1.4
Treasury: Division of Risk Management Positions	0.2	-	0.2
Treasury: **Senate Proposal** – Administrative Costs for Tax Relief	-	1.8	1.8
Treasury: **Senate Proposal** – Wrongful Incarceration Payment	-	1.3	1.3
TAX: **Senate Proposal** – Fair Share Tax Rebate ($100/$200)	-	490.2	490.2
TAX: **Senate Proposal** - Impact of Legislation	-	1.6	1.6
TAX: Cybersecurity Positions	1.1	-	1.1
TAX: Communications System with Localities	0.6	-	0.6
DOA: Information Tech. Replacements / Financial Report Automation	1.3	-	1.3
Treasury Board: Debt Service Funding*	67.9	0.0	67.9
Total	**$72.5**	**$494.6**	**$567.1**

*In Treasury Board, **Senate** includes bond authority for the Western Tidewater Regional Jail and Prince-William Manassas Regional Adult Detention Center.

Central Appropriations

GF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
3.5% Salary Increase for State Employees & State-Supported Locals	$402.9	$311.5	$714.2
Agency Health Insurance Premiums (**Senate Proposal**: $145.0 million deposit)	243.5	190.2	433.7
Senate Proposal: Medicaid Reserve	-	275.0	275.0
Senate Proposal: Environmental Impact Monitoring	-	250.0	250.0
Senate Proposal: Federal Uncertainty Funding for State Agencies	-	200.0	200.0
Senate Proposal: DOE Statewide Financial System	-	50.0	50.0
Agency Information Technology Costs / Higher Education Rebates	54.0	-	54.0
Agency Workers' Compensation / Risk Management / LODA Premiums	24.0	-	24.0
Senate Proposal: State Digital Services	-	10.0	10.0
Agency Rent Costs (**Senate Proposal**)	4.8	6.3	11.1
Agency Cardinal HCM / Financials & Performance Budgeting Costs	(0.9)	-	(0.9)
State Agency Minimum Wage Increase in Costs **(Senate Proposal)**	1.8	3.3	5.1
Agency State Retirement / Post-Employment Benefit Programs Contributions	(145.2)	0.0	(145.2)
Total	**$584.9**	**$1,296.4**	**$1,881.0**

Independent Agencies

GF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
SCC: **Senate Proposal** - Marketplace Health Insurance Subsidies	$0.0	$200.0	$200.0
WCC: **Senate Proposal -** Reimburse for Forensic Services for Victims (SB 812)	-	0.2	0.2
CCA: **Senate Proposal –** Reduce GF to Account for NGF Revenue	-	(4.0)	(4.0)
VRS: Virginia Volunteers' Service Award Program	0.2	0.0	0.2
Total GF	**$0.2**	**$194.2**	**$194.4**

NGF Actions for the 2026-28 Biennium ($ in millions)	HB 30	Senate Proposal	Total
SCC: Operational Costs and NGF Funding Changes (**Senate Proposal**)	$20.5	$3.4	$23.9
VRS: Operational Costs and NGF Funding Changes	62.2	-	62.2
ABC: Operational Costs for Retail Tobacco Licensure (**Senate Proposal**)	-	9.3	9.3
LOTTERY: Operational Costs and NGF Funding Changes	257.8	-	257.8
SAVERS PLAN: IT and Operational Costs	7.1		7.1
SAVERS PLAN: $75.0 million of Surplus for VMSDEP (**Senate Proposal**)	Lang.	Lang.	-
OPIOID ABATEMENT: Funding for Anticipated Awards	7.7	0.0	7.7
Total NGF	**$355.3**	**$2.0**	**$357.3**

General Government Language Items

Senate Proposal:

- Directs up to $350.0 million in FY 2026 surplus revenue to provide an additional lump sum payment to the State Employee Health Insurance Fund and to replace bond financing in Capital Outlay;
- Requires a review of savings programs for weight loss drugs in the state health plan;
- Directs Lottery to develop an implementation plan to implement age verification on all lottery terminals over time;
- Allows the Auditor of Public Accounts to bill institutions of higher education for their NCAA attestation services;
- Requires turnover and vacancy reporting by an agency as part of the annual budget process; and
- Provides that in the notification of carryforward balances to include an agency explanation of the how the agency plans to use the funds.

Capital Outlay

Capital Outlay Proposal Totals $3.4 billion

Includes $2.6 billion in GF supported projects with 67 percent in GF cash.

HB 30 ($ in millions)	Introduced	Sen. Proposal	Total
GF Cash	$890.0	$839.8	$1,729.8
GF Debt	1,110.0	(265.2)	844.8
NGF Cash	538.7	213.1	751.8
NGF Debt	123.6	0.0	123.6
Total	**$1,338.2**	**$728.9**	**$3,450.0**

- Reduces GF tax-supported by $265.2 million and contingently reserves an additional $250.0 million from FY 2026 surplus to supplant GF tax-supported debt.

2026 Capital Construction Pool

Agency	Project
Department of General Services	Commonwealth Courts Building (18537)
Institute for Advanced Learning and Research	Expand Center for Manufacturing Advancement
S Proposal: James Madison University	College of Health and Behavioral Studies Expansion
James Madison University	Renovate Johnston Hall (18758)
S Proposal: Longwood University	Replace and Renovate Building Systems in Coyner Hall
Old Dominion University	Construct Engineering and Arts Building (18741)
S Proposal: University of Virginia	Construct Center for the Arts
S Proposal: University of Virginia – Wise	Renovate Darden Hall
Virginia Commonwealth University	Acquire Altria Building
Virginia Commonwealth University	Construct New School of Dentistry (18676)
Virginia Community College System	Renovate Amherst/Campbell Hall, Central Virginia (18343)
Virginia Institute of Marine Science	Construct Marine Operations Administration Complex (18746)
Virginia Military Institute	Construct Center for Leadership and Ethics Facility, Phase II, and Parking Structure
S Proposal: Virginia Tech	Renovate Derring Hall
Virginia Tech	Expand VT-Carilion School of Medicine and Fralin Biomedical Research Institute (18682)
Virginia School for the Deaf and the Blind	Upgrade Mass Communication System
Virginia State University	Renovate Virginia Hall (18757)
S Proposal: Roanoke Higher Education Authority	Replace Windows
Department of Juvenile Justice	Replace Emergency Back-Up Generator at Bon Air Juvenile Correctional Center Cottages

Total: $1.9 billion
GF Cash: $1.0 billion
Tax-Supported Debt: $844.8 million
NGF Cash: $162.4 million
9(d) Revenue Debt $37.3 million

Other Pools

- **Maintenance Reserve.** $205.0 million GF each year for maintenance reserve allocations to agencies and institutions of higher education to address maintenance needs in state-owned facilities.
- **Capital Equipment Pool.** $50.2 million GF for equipment purchases related to six previously authorized capital projects that are 18 months from substantial completion.
- **Tech Talent Equipment.** $12.0 million GF to support equipment for the state's Tech Talent Investment Program.
- **Planning Pool.** $20.2 million to authorize planning for five projects.

Planning Pool Additions		
Agency	**Project**	**Stage Authorized**
Department of General Services	Construct New Pharmacy Office and Cold Storage	Detailed Planning
Department of Juvenile Justice	Modernize Utility Systems at Bon Air Juvenile Correctional Center	Working Drawings
S Proposal: University of Mary Washington	Replace Simpson Library	Detailed Planning
S Proposal: Virginia Institute of Marine Sciences	Replace Fisheries Science Research Building	Detailed Planning
William and Mary	Renovate Sunken Garden District (HEO funding)	Detailed Planning
William and Mary	Construct Sunken Garden Geothermal Field	Detailed Planning
University of Virginia	Construct Engineering Building (HEO funding)	Detailed Planning

Capital – Education Secretariat

($ in millions)	GF Cash	NGF Cash	§ 9(c) Bonds	§ 9(d) Bonds	Total
S Proposal: : CNU - Address Deferred Maintenance ($5.5 million increase)	$10.0	$0.0	$0.0	$0.0	**$10.0**
S Proposal: : GMU - Address Deferred Maintenance ($15.0 million increase)	35.3	-	-	-	**35.3**
JMU - Blanket Property Acquisition	-	3.0	-	-	**3.0**
JMU - Renovate and Expand East Campus Dining Hall	-	14.2	-	-	**14.2**
JMU - Construct New Parking Deck	-	18.3	-	20.0	**38.3**
JMU - Renovate and Expand Festival Conference and Student Center	-	-	-	28.8	**28.8**
UMW - Address Deferred Maintenance	7.4	-	-	-	**7.4**
VCCS - Transfer Higher Education Operating Nongeneral Fund Appropriation to Blanket Authorization Project	-	12.5	-	-	**12.5**
S Proposal: VCCS - Property Acquisition Laurel Ridge Community College		3.5			**3.5**
VCCS - Improve Life Safety and Security Systemwide, Phase II	-	7.5	-	-	**7.5**
VCCS - Repair or Replace Major Mechanical Systems, Phase II	-	20.4	-	-	**20.4**
VCCS - Re-Roof and Replace Heating, Ventilation, and Air Conditioning Systems in Multiple Buildings Statewide, Phase II	-	6.2	-	-	**6.2**
S Proposal: JYF - Address Deferred Maintenance	11.0	-	-	-	**11.0**
VT - Construct New Business Building	0.0	56.5	0.0	37.5	**94.0**
Total Education	**$63.6**	**$142.0**	**$0.0**	**$86.3**	**$291.9**

Capital - Other Secretariats

($ in millions)	GF Cash	NGF Cash	Total
S Proposal: DGS - New State Agency Building (Planning/Demolition)	$33.0	$0.0	**$33.0**
S Proposal: DGS - Fort Monroe Visitor Amenity Improvements & Landscape Action Plan	12.8	-	**12.8**
S Proposal: DGS - Fort Monroe Utility Master Plan Improvements	3.0	-	**3.0**
S Proposal: DGS – Central Virginia Training Center Remediation	10.0	-	**10.0**
DBHDS - Transfer Historic Fort Whitworth at Central State to the Petersburg Battlefield Foundation	-	-	**Language**
DBHDS - Renovate, Repair, and Upgrade State-operated Facilities	33.0	-	**33.0**
S Proposal: DCR - State Park Deferred Maintenance	40.0	-	**40.0**
S Proposal: DCR - State Park Land Acquisition & Defer Oak Hill	-	2.0	**2.0**
DCR - Natural Area Preserve Acquisition	-	10.2	**10.2**
DWR - Increase Maintenance Reserve	-	1.3	**1.3**
DWR - Acquire Land and Property	-	10.0	**10.0**
DWR - Repair and Upgrade Dam at Lake Shenandoah	6.4	-	**6.4**
S Proposal: DOC – HVAC Improvements	40.0	-	**40.0**
DVS - Address Maintenance Needs at State Veterans Care Centers	2.2	-	**2.2**
DMA - Improve Readiness Center	2.8	-	**2.8**
DMV - Maintenance Reserve	-	14.2	**14.2**
S Proposal: DMV - Headquarters Renovation Study	-	-	**Language**
VDOT - Maintenance Reserve	-	10.0	**10.0**
VDOT - Continue to Acquire, Design, Construct and Renovate Agency Facilities	-	76.0	**76.0**
Port - Increase Funding for Cargo Handling Facilities	-	87.5	**87.5**
Port - Expand Empty Yard project	-	129.8	**129.8**
S Proposal: SCC - Renovate Tyler Building	-	94.0	**94.0**

Appendix

HB 30 Direct Aid: Summary of Technical and Rebenchmarking Actions

(GF $ in millions)	FY 2027	FY 2028	Biennium
Update VRS Rates for Retirement and Other Post-Employment Benefits	($106.9)	($107.0)	($213.9)
Rebenchmark the Cost of Direct Aid to Public Education	580.3	571.2	1,151.5
Update Average Daily Membership Projections	(160.0)	(205.5)	(365.5)
Update Career and Technical Education Data	16.9	17.0	33.9
Update Categorical Programs	0.1	0.2	0.3
Update Composite Index of Local Ability-to-Pay	(34.8)	(34.1)	(68.9)
Update Distributions for School Age Population	0.2	0.2	0.5
Update English Language Learner Data	(19.6)	(12.3)	(31.9)
Update Fall Membership Data in Direct Aid Program Formulas	(7.4)	(9.0)	(16.5)
Update Incentive Programs	(2.2)	(2.1)	(4.2)
Update Lottery Proceeds for Public Education (supplants a like NGF amount)	13.6	21.6	35.2
Update Lottery Supported Programs	6.1	9.8	15.9
Update Remedial Summer School Program Participation	(3.6)	(4.2)	(7.8)
Update Sales Tax Revenues for Public Education	16.5	37.6	54.1
Update Supplemental GF Payment in Lieu of Food and Hygiene Tax	0.6	1.1	1.7
Update VRS Rates for Non-Professional Employees	(3.0)	(3.0)	(5.9)
Update Supplemental Education Programs	0.2	0.2	0.4
Total	**$297.2**	**$281.9**	**$579.0**

Direct Aid: Supplementals

Direct Aid: Supplemental Education, GF Actions ($ in millions)	HB 30	Senate Proposal	Total
Community Schools Development and Implementation Planning Grants	$0.0	$5.0	$5.0
Teaching Scholarship Loans	-	3.0	3.0
AI Pilot Program (SB 394)	-	2.0	2.0
Rockingham CTE	-	4.1	4.1
Excel Center	-	1.8	1.8
Richmond Teacher Residency	-	1.5	1.5
Virginia Museum of History and Culture Civics Connects Program	-	0.6	0.6
DonorsChoose	-	0.5	0.5
AED/CERP Grant Program	-	0.5	0.5
Opportunity Scholars	0.5	-	0.5
Blue Ridge Partnership for Health Sciences Feasibility Study	-	0.3	0.3
Virginia Alliance of YMCAs	-	0.5	0.5
Boys & Girls Club of the Northern Neck	-	0.3	0.3
Reck League	-	0.2	0.2
Girl Scout Youth Mental Wellness Program	-	0.2	0.2
American Civil War Museum (adds to existing $200,000 GF each year)	0.2	-	0.2
Dolly Parton Imagination Library	-	0.5	0.5
REACH Virginia	-	0.5	0.5
Blue Ridge PBS	-	0.7	0.7
PBS Appalachia	-	1.9	1.9
New Chesapeake Men for Progress	-	0.2	0.2
Virginia Outdoor Education Program	-	0.1	0.1
Hanover Center for Trades and Technology	-	0.8	0.8
Cyber Bus	-	0.2	0.2
Big Free Bookstore	0.0	0.3	0.3
Total *(totals may not add due to rounding)*	**$0.7**	**$25.5**	**$26.2**