



Overview of SB 800 Economic Development & Natural Resources

(Governor's Proposed Amendments to 2024-26 Budget)

January 13, 2025

Commerce & Trade and Labor



Overview of Commerce and Trade and Labor in SB 800

- The introduced budget proposes net increases totaling \$137.4 million GF over the biennium. Major GF spending amendments include:
 - A shift of \$69.1 million GF from the second year to the first year and provides an additional \$35.0 million GF the first year for life science research initiatives;
 - An additional \$50.0 million GF the second year for the Virginia Business Ready Sites Program, bringing the total funding to \$70.0 million GF in FY 2026;
 - \$25.0 million GF and the suggested use of Regional Greenhouse Gas Initiative (RGGI) proceeds from the December 2023 auction (would still require appropriation) to establish a Disaster Assistance Fund to address life, safety, and housing disaster-related costs not covered by other sources;
 - \$14.0 million GF the second year for a competitive grant program to increase the supply of early learning spaces for childcare in early learning deserts (with reallocation of \$1.0 million GF previously provided for a total of \$15.0 million);
 - \$5.0 million GF the first year to establish a tourism sports event grant program and designates \$500,000 GF for promotion of a Major League Baseball game in the Bristol area; and
 - Reauthorizes \$3.9 million GF to reimburse Wythe County for infrastructure costs incurred as part of an agreement to support a cancelled custom performance grant project.

Commerce & Trade and Labor

GF Actions for the 2024-26 Biennium (\$ in millions)	FY 2025	FY 2026	Total
VEDP: Expand Virginia Business Ready Sites Program	\$0.0	\$50.0	\$50.0
VIPA: Support Life Sciences Research	104.1	(69.1)	35.0
DHCD: Establish Disaster Assistance Fund	25.0	0.0	25.0
DHCD: Establish Early Learning Capital Supply Program	14.0	0.0	14.0
VTA: Support Sports Tourism	5.0	0.0	5.0
EDIP: Reauthorize Funding for Economic Development Project	3.9	0.0	3.9
EDIP: Authorize Payment for Economic Development Project	0.0	1.4	1.4
DWDA: Promote the Virginia has Jobs Initiative	2.0	0.0	2.0
Other Budget Actions	<u>15.3</u>	<u>(14.2)</u>	<u>1.1</u>
Total Net Change	\$169.3	(\$31.9)	\$137.4

Natural Resources and Agriculture & Forestry



Overview of Natural Resources and Agriculture & Forestry in SB 800

- The introduced budget proposes net increases totaling \$105.6 million GF over the biennium. Major GF spending amendments include:
 - \$93.7 million from FY 2024 revenue collections and agency balances for the Water Quality Improvement Fund (WQIF). Of that amount:
 - \$50.0 million GF would support the City of Richmond’s Combined Sewer Overflow project;
 - \$17.4 million GF would transfer to the Virginia Natural Resources Commitment Fund for agricultural best management practices;
 - \$17.4 million GF would reimburse eligible entities under the Enhanced Nutrient Removal Certainty Program; and
 - \$8.9 million GF is proposed for deposit to the WQIF reserve.
 - \$4.4 million GF the first year to leverage federal funding for a project to relocate the seabird colony that is being displaced by a transportation expansion project; and
 - \$3.4 million GF to modernize the Department of Agriculture and Consumer Services’ regulatory system and to upgrade the Integrated Forest Resources Information System.

Natural Resources and Agriculture and Forestry

GF Actions for the 2024-26 Biennium (\$ in millions)	FY 2025	FY 2026	Total
DEQ: Richmond Combined Sewer Overflow	\$50.0	\$0.0	\$50.0
DCR: Deposit Surplus to WQIF Reserve and Nat. Res. Comm. Fund	26.3	0.0	26.3
DEQ: Deposit Surplus to WQIF for Enhanced Nutrient Certainty	17.4	0.0	17.4
DWR: Leverage Federal Funds for Seabird Colony Relocation	4.4	0.0	4.4
VDACS: Modernize Regulatory Platform	0.0	2.9	2.9
DEQ: Fund Richlands Regional Water Treatment Upgrades	1.5	0.0	1.5
VDACS: Inspection and Testing of Commercial Recharging	0.6	0.0	0.6
DCR: Initiate VALORS Membership for Conservation Officers	0.0	0.6	0.6
DCR: Provide Support for Capital Outlay Management	0.0	0.3	0.3
Other Budget Actions	<u>1.7</u>	<u>(0.1)</u>	<u>1.6</u>
Total Net Changes	\$101.9	\$3.7	\$105.6