



Overview of Education in SB 30

February 19, 2026

Public Education and Other Education



Overview of Direct Aid in SB 30

The introduced budget proposes amendments to Direct Aid totaling a net increase of \$678.3 million GF and \$548.8 million NGF. 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;
- \$382.9 million GF over the biennium to support the state share of a 2.0 percent compensation increase in each year for instructional and support positions;
- Supplanting \$285.0 million GF over the biennium with a like amount from the Literary Fund to support teacher retirement; and
- \$299.0 million NGF in additional support for school construction.
- In addition to the changes noted above, the introduced budget proposes redirecting \$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.

SB 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	<u>0.2</u>	<u>0.2</u>	<u>0.4</u>
Total	\$297.2	\$281.9	\$579.0

SB 30 Direct Aid: Summary of Proposed Policy Changes

GF Actions, including supplemental education (\$ in millions)	FY 2027	FY 2028	Biennium
2.0 Percent Compensation Supplement Per Year	\$127.2	\$255.6	\$382.9
Literary Fund Support for Teacher Retirement (supplants GF with NGF from the Literary Fund)	(185.0)	(100.0)	(285.0)
Early Childhood Provisional Licensure Program	0.1	0.1	0.2
State Share of Funding for New River Valley Governor's School	0.1	0.2	0.4
State Share of Funding for Linwood Holton Governor's School	<0.1	<0.1	0.1
Opportunity Scholars	0.5	-	0.5
American Civil War Museum (adds to existing \$200,000 GF each year)	<u>0.2</u>	<u>0.0</u>	<u>0.2</u>
Total	(\$56.8)	\$156.0	\$99.3

Nongeneral Fund Actions

- **School Construction:** Proposes \$274.0 million NGF the first year and \$25.0 million NGF the second year to support school construction, which:
 - Reflects an additional \$127.0 million of actual and projected casino revenue; and
 - Appropriates \$172.0 million from the Literary Fund to support school construction grants.
- **Teacher Retirement:** Recommends supplanting \$285.0 million GF over the biennium with Literary Fund dollars to support school employee retirement contributions.

SB 30 Direct Aid: Select Proposed Language Amendments

- **Annual School Report:** Proposes authorizing 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 that DOE create guidance for this policy to correct compliance and has a delayed effective date of FY 2028.
- **Governor's School Funding:** Recommends language requiring divisions to receive approval from the Board of Education to begin participating in an existing Governor's School program and provides notice that additional state funds are subject to the appropriation of the Governor and General Assembly.
- **School Construction Assistance Program:** Proposes language clarifying 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.

SB 30 Public Education: Summary of Proposed Amendments

Department of Education

Proposed changes result in a net increase of \$6.7 million GF over the biennium, including:

- \$1.0 million GF each year in ongoing support for system enhancements to the Virginia Individualized Education Program (IEP) system;
- \$2.4 million GF the first year in additional funding to support the costs associated with extending the existing statewide assessment contract through December 31, 2027;
- \$500,000 GF each year to support the costs of building and maintaining a platform for affordable child care subsidy accounts and an additional \$1.0 million GF of one-time funds in the first year to provide state matching funds for employer contributions to the child care accounts of their employees; and
- \$143,200 GF each year in state matching funds for the administrative costs associated with the federal summer electronic benefits transfer (EBT) program, administered in partnership with the Department of Social Services.

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.

SB 30: Other Education

- **Science Museum of Virginia – Northern Virginia Science Center.** Recommends \$900,000 GF and \$3.2 million NGF the first year, \$1.3 million GF and \$3.2 million NGF the second year, and 15.0 positions 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.** Proposes \$500,000 GF each year and \$258,064 NGF over the biennium to support increased costs in information technology, security personnel, and utilities.

Higher Education



Overview of Higher Education in SB 30

The introduced budget proposes actions to Higher Education totaling a net increase of \$120.1 million GF and \$2.3 billion NGF. This includes \$128.8 million GF in new spending and \$8.6 million GF in proposed savings and reductions, including:

- \$27.5 million GF the first year to maintain affordability for in-state undergraduate students;
- \$15.0 million the first year for undergraduate financial aid;
- \$13.6 million GF the second year for the Workforce Credential Grant program (Fast Forward); and
- \$40.0 million GF over the biennium for the Virginia Military Survivors and Dependents Education Program waivers.
 - Recommends an additional \$75.0 million NGF each year from actuarial surpluses of the Defined Benefit 529 Programs.

SB 30 Higher Education

(GF \$ in millions)	FY 2027	FY 2028	Biennium
Virginia Military Survivors and Dependents Education Waivers	\$20.0	\$20.0	\$40.0
Maintain Affordability	27.5	-	27.5
Undergraduate Financial Aid	15.0	-	15.0
Workforce Credential Grant (Fast Forward)	-	13.6	13.6
IALR – GO TEC Administration	4.7	4.7	9.3
VCU – Expand Healthcare Workforce	1.9	1.9	3.8
VT – Expand Healthcare Workforce	1.9	1.9	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	0.4	0.7	1.1
JMU – Fast Flex Nursing Program	1.0	-	1.0
VT - Cooperative Extension Operating Support	0.5	0.5	1.0
VIMS – Blue Crab Stock Assessment	0.5	0.4	0.9
VIMS – Harmful Algal Blooms Study	0.4	0.3	0.7
UMW – Graduate Nursing Program	0.7	-	0.7
Mental Health Workforce Grants	0.3	0.3	0.5
SVHEC – Equipment Funding	(0.1)	(0.1)	(0.2)
NCI – Address Status	0.0	(3.2)	(3.2)
Total	\$76.7	\$43.4	\$120.1

Note: Totals may not add due to rounding.

SB 30: Higher Education Language

- **Limit Tuition Growth.** Recommends language to establish an annual cap on tuition growth of 2.5 percent over the prior fiscal year or inflation as measured by the Consumer Price Index.
- **Workforce Credential Grant Expanded Reporting.** Proposes language that requires an analysis of grant fund utilization by occupational field and a summary of actions to comply with the requirement that no more than 25.0 percent of grant funds may be used in an individual occupational field.
- **Address Sustainability of New College Institute.** Recommends language directing the Board to develop a sustainability plan and comprehensive business plan to be submitted to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than August 1, 2026.