

**Amendments to SB 800 (as Introduced)**

Item 0 #1s

**Revenues**

Revenues

Language

**Language:**

Page 1, line 6, after "2026;" strike remainder of line, and insert:

a Bill to amend and reenact § 2.2-3711, as it is currently effective and as it shall become effective, § 18.2-325, § 18.2-334, § 19.2-389, § 37.2-314.2, § 58.1-322.03, § 58.1-339.8, § 58.1-390.3, § 58.1-4002, § 58.1-4003, § 58.1-4006, § 58.1-4007, § 58.1-439.29, § 58.1-439.30 § 58.1-602, § 58.1-605, § 58.1-605.1, § 58.1-606.1, § 58.1-609.3, § 59.1-391, and § 65.2-107 of the Code of Virginia; a Bill to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding a section numbered 18.2-334.7, and by adding in Title 58.1 a chapter numbered 42, consisting of sections numbered 58.1-4200 through 58.1-4219, and by adding in Title 2.2 a chapter numbered 55.6, consisting of a section numbered 2.2-5517; a Bill to amend the second enactment of 2023 Acts of Assembly, Chapter 763 and the second enactment of 2023 Acts of Assembly, Chapter 791; a Bill to amend the second enactment of 2024 Acts of Assembly, Chapter 647 and the second enactment of 2024 Acts of Assembly, Chapter 684; and a Bill to repeal § 18.2-334.6, § 30-336, § 30-337, and § 30-338 of the Code of Virginia.

Page 1, strike line 7.

Page 1, strike lines 36 through 48, and insert:"

	<b>First Year</b>	<b>Second Year</b>	<b>Total</b>
Unreserved Beginning Balance	\$2,989,627,272 \$12,757,442,466	\$0	\$2,989,627,272 \$12,757,442,466
Additions to Balance	\$47,000,000 (\$8,227,735,067)	(\$500,000)	\$46,500,000 (\$8,228,235,067)
Official Revenue Estimates	\$28,563,750,000 \$30,687,836,462	\$30,275,550,000 \$31,386,299,381	\$59,839,300,000 \$62,074,135,843
Transfer	\$1,128,073,149 \$1,452,124,549	\$1,714,755,410 \$1,539,465,937	\$2,842,828,559 \$2,991,590,456
Total General Fund Resources Available for Appropriation	\$32,728,450,421 \$36,669,668,410	\$31,989,805,410 \$32,925,265,318	\$64,718,255,831 \$69,594,933,728"

Page 3, strike lines 2 through 20, and insert:

	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>Total</b>
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Operating Expenses	\$63,748,960,781 \$67,300,355,579	\$112,919,222,182 \$117,424,600,273	\$176,668,182,963 \$184,724,955,852
Legislative Department	\$280,791,734 \$283,627,134	\$10,610,590 \$10,885,915	\$291,402,324 \$294,513,049
Judicial Department	\$1,313,054,042 \$1,320,765,076	\$82,450,502 \$85,770,523	\$1,395,504,544 \$1,406,535,599
Executive Department	\$62,040,651,847 \$65,652,405,531	\$107,222,685,248 \$111,354,122,835	\$169,263,337,095 \$177,006,528,366
Independent Agencies	\$114,463,158 \$43,557,838	\$5,603,475,842 \$5,973,821,000	\$5,717,939,000 \$6,017,378,838
State Grants to Nonstate Agencies	\$0	\$0	\$0
Capital Outlay Expenses	\$951,677,311 \$2,281,528,516	\$1,805,819,634 \$1,884,448,556	\$2,757,496,945 \$4,165,977,072
Total	\$64,700,638,092 \$69,581,884,095	\$114,725,041,816 \$119,309,048,829	\$179,425,679,908 \$188,890,932,924"

**Explanation:**

(This amendment modifies the front page to reflect changes to resources as adopted by the Senate Finance and Appropriations Committee, including recognizing expiring tax credits and exemptions in the official forecast.)

Item 1 #1s

**Legislative Department**

General Assembly of Virginia

Language

**Language:**

Page 13, after line 17, insert:

"5. a. The Joint Subcommittee on Elementary and Secondary Education Funding shall establish a workgroup for the purpose of providing recommendations regarding updates to the Standards of Quality funding formula.

b. The workgroup shall consist of legislators, representatives of localities, school divisions, teachers, families, and education interest groups as selected by the Joint Subcommittee. Representatives of the Secretary of Education and the Superintendent of Public Instruction shall

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also serve on the workgroup.

c. The Department of Education shall support the workgroup based on the scope of work as determined by the Joint Subcommittee on Elementary and Secondary Education Funding.

d. The workgroup shall provide a report detailing recommendations for improvement to the Standards of Quality calculations to the Joint Subcommittee on Elementary and Secondary Education by November 1 annually."

**Explanation:**

(This amendment establishes a workgroup to support the Joint Subcommittee on Elementary and Secondary Education Funding by providing recommendations for improvements to the K-12 education formula.)

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	Item 1 #2s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
General Assembly of Virginia	\$0	\$1,800,000 GF

**Language:**

Page 4, line 5, strike "\$65,280,825" and insert "\$67,080,825".

Page 4, line 11, strike "\$25,921,142", insert "\$27,721,142".

**Explanation:**

(This amendment provides \$1.8 million GF the second year for full-time state employee benefits for the members of the Virginia Senate's second legislative aide position including health care and retirement.)

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	Item 1 #3s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
General Assembly of Virginia	\$0	\$5,400 GF

**Language:**

Page 4, line 5, strike "\$65,280,825" and insert "\$65,286,225".

Page 12, after line 16, insert:

"Legislator Compensation Commission Senate Bill 1219 \$5,400".

**Explanation:**

(This amendment provides \$5,400 GF the second year for the fiscal impact of Senate Bill 1219, which establishes the Legislator Compensation Commission, to be formed every four years for the purpose of reviewing the salaries, expense allowances, retirement benefits, and other emoluments received by members of the General Assembly and determining whether any

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adjustments to salaries or allowances are needed.)

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	Item 1 #4s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
General Assembly of Virginia	\$350,000	\$0 GF

**Language:**

Page 4, line 5, strike "\$65,305,825" and insert "\$65,655,825".

**Explanation:**

(This amendment provides \$350,000 GF the first year to provide funding to support the work of the Joint Subcommittee on Higher Education Funding Policies which may include contracted services.)

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	Item 1 #5s
<b>Legislative Department</b>	
General Assembly of Virginia	Language

**Language:**

Page 12, delete lines 35-54 and insert:

"R.1. The Chairs of the House Appropriations and Senate Finance and Appropriations Committees shall each appoint four members from their respective committees to a joint subcommittee to review the recommendations of the November 2022 report from the Joint Legislative and Audit Review Commission (JLARC) regarding the actuarial surplus of the VA529 Defined Benefit Trust Fund (the Fund).

2. The Joint Subcommittee on VA529 Surplus Funds shall review the considerations set forth in the JLARC report and produce recommendations with regard to: (i) the method, timing, and amount of any withdrawals from the Fund, including the appropriate funded status at which withdrawals should be considered, with consideration to maintaining sufficient assets to ensure Fund solvency for future obligations; (ii) development of guidelines for the appropriate allocation and subsequent use of monies withdrawn from the Fund, including consideration of returning funds to Legacy Prepaid529 account holders and programs that support higher education access and affordability; and (iii) ongoing oversight of Fund balances to determine availability of any future actuarial surpluses.

3. The subcommittee shall submit its findings and recommendations to the Governor and the

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Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than October 15, 2025."

**Explanation:**

(This amendment updates language to establish a Joint Subcommittee to review options for the use of the 529 Defined Benefit Trust Fund based on the 2022 report from the Joint Legislative and Audit Review Commission (JLARC) on the actuarial surplus.)

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Item 5 #1s

**Legislative Department**

Division of Legislative Automated Systems

Language

**Language:**

Page 17, after line 25, insert:

"F. There is hereby established a Legislative IT Council to serve as an advisory body to oversee the operations and implementation of technology for the legislative branch. Membership of the workgroup shall include: the Clerk of the House, the Clerk of the Senate, the staff Directors of the House Appropriations and Senate Finance and Appropriations Committees, the Director of the Division of Legislative Services, the Director of the Joint Legislative Audit and Review Commission, and the Director of a legislative Commission chosen by the Clerk of the House and Clerk of the Senate. Members of the Council may be represented by a designee. The Director of the Department of Legislative Automated Systems (DLAS) shall serve as an ex officio non-voting member of the Council. Meetings of the Council shall occur at least twice a year to review, discuss, and make recommendations regarding services provided by DLAS such as: (i) ongoing operational support; (ii) system development, implementation, refresh, and maintenance; (iii) information technology security; (iv) incident response; and (v) any other services provided to legislative agencies. The workgroup may direct DLAS to seek input from non-legislative stakeholders as needed to enhance the efficiency, effectiveness, and user-friendly capabilities of public-facing legislative systems. The Council shall conduct an annual survey to evaluate the customer service that DLAS provides to legislative agencies. Finally, the Council shall, as needed, provide updates to the Joint Committee on Rules with regard to operational or performance issues, recommendations, or other feedback as needed to ensure the optimal operation of legislative entities.

G.1. The replacement of the legislative bill drafting system shall be completed by the Division of Legislative Automated Services (DLAS) based on guidance from the Director of the Division of Legislative Services (DLS) or their designee. DLAS shall provide DLS with a comprehensive status report on the replacement system's progress, capabilities, costs, and implementation timeline no later than September 1, 2025. DLAS shall establish a user group of DLS staff to provide input into the design of the system and provide feedback throughout the development

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process. DLS shall work collaboratively with the House and Senate Clerk's Offices on the integration of the bill drafting system with e-filing, at an appropriate time. The House and Senate Clerks' Offices shall determine how best to meet their functional requirements with e-filing.

2. Upon implementation of a replacement bill drafting system, DLAS shall be responsible for providing ongoing support, maintenance, and security of the system. Any changes or improvements to the system must be completed at the direction of DLS and the Clerk of the House and Clerk of the Senate."

**Explanation:**

(This amendment establishes a Legislative IT Council to serve as an advisory body to oversee the operations and implementation of technology provided for the legislative branch. In addition, it provides that the replacement of the legislative bill drafting system shall be completed by the Division of Legislative Automated Services based on feedback from the Director of the Division of Legislative Services.)

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	Item 6 #1s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Division of Legislative Services	\$275,325	\$0 NGF

**Language:**

Page 17, line 33, strike "\$9,640,479" and insert "\$9,915,804".

Page 18, after line 7, insert:

"F. Out of this appropriation, \$275,325 the first year from dedicated special revenue is provided to implement the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

**Explanation:**

(This amendment appropriates \$275,325 in dedicated special revenue generated from sales of the "Friends of the Chesapeake Bay" license plate for the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.)

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	Item 6 #2s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Division of Legislative Services	0.00	3.00 FTE

**Language:**

**Explanation:**

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(This amendment increases the position level for the Division of Legislative Services to add 3.0 new positions. The agency has sufficient funding, so only the positions are needed.)

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Item 6 #3s

**Legislative Department**

Division of Legislative Services

Language

**Language:**

Page 17, line 39, strike "\$208,782" and insert "\$219,221".

**Explanation:**

(This amendment provides an adjustment to the salary of Director, Division of Legislative Services.)

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Item 6 #4s

**Legislative Department**

Division of Legislative Services

Language

**Language:**

Page 18, line 3, after "E." insert "1)"

Page 18, after line 7, insert:

"2) The Division of Legislative Services shall convene a technical advisory workgroup to assist the Division with drafting of legislation for the Joint Subcommittee, estimating fiscal impacts based on legislation or potential options to consolidate gaming regulation and oversight, and providing recommendations on necessary legislative or appropriation act changes to be presented to the Joint Subcommittee. The Workgroup shall consist of staff from the Virginia Lottery, the Department of Agriculture and Consumer Services, the Virginia Racing Commission, the Department of Taxation, the Department of Planning and Budget, the Virginia State Police, the House Appropriations Committee and the Senate Finance and Appropriations Committee staff. The Workgroup may request assistance from any other agency of the Commonwealth or request their participation in the Workgroup."

**Explanation:**

(This amendment establishes a technical advisory workgroup to the Joint Subcommittee on Establishing the Virginia Gaming Commission. The technical workgroup is to assist the Division of Legislative Services with drafting legislation and options for consolidation efforts, estimating fiscal impacts from consolidation, and provide recommendations on necessary legislative or appropriation act changes.)

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Item 10 #1s

<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Commissioners for the Promotion of Uniformity of Legislation in the United States	\$0	\$20,000	GF

**Language:**

Page 19, line 1, strike "\$87,522" and insert "\$107,522".

**Explanation:**

(This amendment provides \$20,000 GF the second year to cover the increase in dues for the Virginia delegation and costs to cover the expenses of sending the commissioners to the annual conference. This appropriation was last increased in 2015 from \$62,500 to \$87,522.)

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Item 12 #1s

<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Freedom of Information Advisory Council	\$0 0.00	\$160,000 1.00	GF FTE

**Language:**

Page 19, line 29, strike "\$269,146" and insert "\$429,146".

**Explanation:**

(This amendment provides \$160,000 GF and 1.0 position the second year for additional operational support for an attorney position. The workload of the Council continues to grow, in particular with regard to the statewide requirements for FOIA training for state and local officials, requests for informal and formal opinions, and general FOIA-related inquiries.)

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Item 13 #1s

<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Housing Commission	\$0	\$150,000	GF

**Language:**

Page 19, line 39, strike "\$423,763" and insert "\$573,763".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$150,000 GF the second year to the Commission for equipment, travel, and training.)

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	Item 16 #1s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia-Israel Advisory Board	\$0	(\$57,553) GF

**Language:**

Page 20, line 28, strike "\$302,425" and insert "\$244,872".

**Explanation:**

(This amendment removes \$57,553 GF the second year of new funding included in the introduced budget.)

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	Item 18.5 #1s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Division of Legislative Services	\$0	\$150,000 GF
	0.00	1.00 FTE

**Language:**

Page 22, after line 17, insert:

**"Commission on Women's Health**

18.5 Research, Planning and Coordination (78800)	\$0	\$150,000
Fund Sources: General	\$0	\$150,000 "

**Explanation:**

(This amendment provides \$150,000 GF the second year to fund a position and operational costs for the Commission on Women's Health pursuant to Senate Bill 1120. The Commission's purpose is to study, report, and make recommendations on issues related to women's health, including maternal health.)

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	Item 24 #1s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Commission on Electric Utility Regulation	\$0	\$150,000 GF

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**Language:**

Page 24, line 46, strike "\$691,050" and insert "\$841,050".

**Explanation:**

(This amendment provides \$150,000 GF the second year for the Commission on Electric Utility Regulation for research and consulting services.)

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	Item 26 #1s	
<b>Legislative Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Commission on Intergovernmental Cooperation	\$0	\$50,000 GF

**Language:**

Page 30, line 2, strike "\$880,021" and insert "\$930,021".

**Explanation:**

(This amendment provides \$50,000 GF the second year to fund higher dues for intergovernmental organizations.)

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	Item 31 #1s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Supreme Court	(\$718,000)	(\$800,000) GF

**Language:**

Page 32, line 2, strike "\$53,721,053" and insert "\$53,003,053".

Page 32, line 2, strike "\$60,079,165" and insert "\$59,279,165".

**Explanation:**

(This amendment reduces by \$718,000 GF the first year and \$800,000 GF the second year funding for a proposed upgrade of the Department's identity access management system, to allow additional time for evaluation of options and associated cost estimates.)

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	Item 31 #2s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Supreme Court	\$0	(\$1,000,000) GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 32, line 2, strike "\$60,079,165" and insert "\$59,079,165".

**Explanation:**

(This amendment reduces by \$1.0 million GF the second year the proposed increase for technology expenses at the Supreme Court, bringing the total increase to \$2.0 million annually.)

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	Item 31 #3s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Supreme Court	\$600,561	\$0 GF

**Language:**

Page 32, line 2, strike "\$53,721,053" and insert "\$54,321,614".

**Explanation:**

(This amendment provides \$600,561 GF the first year for the fiscal impact of Senate Bill 1466 related to criminal record sealing. Funding covers system updates, including those necessary for new data collection.)

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	Item 33 #1s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Circuit Courts	\$0	(\$100,000) GF

**Language:**

Page 36, line 10, strike "\$137,464,210" and insert "\$137,364,210".

Page 37, strike lines 39-41.

**Explanation:**

(This amendment removes \$100,000 GF the second year that was provided in Chapter 2, 2024 Acts of Assembly, Special Session I, for the Sealing Fee Fund, to align with provisions in Senate Bill 1466 that eliminate the Fund.)

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	Item 33 #2s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Circuit Courts	\$0	\$1,000,000 GF

**Language:**

Page 36, line 10, strike "\$137,464,210" and insert "\$138,464,210".

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Page 36, line 40, strike "\$145,526,138" and insert "\$146,526,138".

Page 37, after line 41, insert:

"K. Out of the amounts appropriated in this item, \$1,000,000 the second year from the general fund is provided to support an increase in the rate paid the guardian ad litem from the Criminal Fund appropriation to \$78.75 per hour for time spent in court and \$57.50 for time spent out of court.

L. The authority of the Office of the Executive Secretary to increase rates paid to individuals from the Criminal Fund shall be subject to appropriation of funds designated for such rate increase."

**Explanation:**

(This amendment provides \$1.0 million GF the second year to increase the guardian ad litem payment rate from \$75/hour to \$78.75/hour for time spent in court and \$55/hour to \$57.50/hour for time spent out of court. According to the Office of the Executive Secretary, current Criminal Fund balances are sufficient to cover a rate increase in FY 2026, but the ongoing annual Criminal Fund appropriation would need to be increased to accommodate the rate change beginning in FY 2027. Language also states that rate increases for payments to individuals from the Criminal Fund appropriation shall be subject to appropriation of funds designated for such rate increase.)

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	Item 33 #3s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>
Circuit Courts	\$150,000	\$0 GF

**Language:**

Page 36, line 10, strike "\$131,392,451" and insert "\$131,542,451".

Page 37, after line 41, insert:

"K. Out of the amounts appropriated in this Item, \$150,000 the first year from the general fund shall be provided to the Fairfax County Circuit Court to support the costs of exhibits at the Judicial Learning Center."

**Explanation:**

(This amendment provides \$150,000 GF the first year to the Fairfax County Circuit Court to support the creation of a Judicial Learning Center, an experiential learning environment focused on educating the public on the workings of the court and the essential role of the judicial system. The amount will support the costs of exhibits.)

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	Item 34 #1s	
<b>Judicial Department</b>	<b>FY24-25</b>	<b>FY25-26</b>

*Amendments to SB 800 (as Introduced)*

General District Courts \$0 \$624,404 GF

**Language:**

Page 37, line 47, strike "\$153,148,993" and insert "\$153,773,397".

**Explanation:**

(This amendment provides \$624,404 GF the second year for the cost of two new judgeships in general district courts, including the Ninth District and the Thirty-first District.)

Item 35 #1s

**Judicial Department**

**FY24-25**

**FY25-26**

Juvenile and Domestic Relations  
District Courts

\$0

\$312,202 GF

**Language:**

Page 38, line 35, strike "\$121,716,328" and insert "\$122,028,530".

**Explanation:**

(This amendment provides \$312,202 GF the second year for the cost of a new juvenile and domestic relations district court judgeship in the Second District.)

Item 40 #1s

**Judicial Department**

**FY24-25**

**FY25-26**

Indigent Defense Commission

\$0  
0.00

\$138,193 GF  
1.00 FTE

**Language:**

Page 41, line 15, strike "\$88,875,818" and insert "\$89,014,011".

**Explanation:**

(This amendment provides \$138,193 GF and 1.0 position the second year to the Indigent Defense Commission to create a Sealing and Expungement Resource Counsel to support upcoming criminal recording sealing requirements.)

Item 49 #1s

**Executive Offices**

**FY24-25**

**FY25-26**

*Amendments to SB 800 (as Introduced)*

Attorney General and Department of Law (\$90,000) \$0 GF

**Language:**

Page 47, line 18, strike "\$57,525,842" and insert "\$57,435,842".

**Explanation:**

(This amendment removes \$90,000 GF the first year provided in the introduced budget for start-up costs associated with the Electronic Nicotine Delivery System Directory.)

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Item 49 #2s

<b>Executive Offices</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Attorney General and Department of Law	\$0	(\$192,260)	GF

**Language:**

Page 47, line 18, strike "\$57,628,102" and insert "\$57,435,842".

**Explanation:**

(This amendment removes \$192,260 GF the second year provided in the introduced budget to expand Operation Ceasefire into Northern Virginia.)

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Item 51 #1s

<b>Executive Offices</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Attorney General and Department of Law	\$0	(\$277,077)	GF

**Language:**

Page 49, line 23, strike "\$7,563,623" and insert "\$7,286,546".

**Explanation:**

(This amendment removes \$277,077 GF the second year that was provided in the introduced budget for additional rate payer protection staff.)

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Item 51 #2s

<b>Executive Offices</b>		
Attorney General and Department of Law		Language

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 49, line 43, strike "\$1,750,000" and unstrike "\$1,250,000".

**Explanation:**

(This amendment maintains the \$1.3 million limit on how much funding is retained in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund. Any excess funds above that level are transferred to the general fund at yearend.)

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	Item 60 #1s	
<b>Administration</b>	<b>FY24-25</b>	<b>FY25-26</b>
Compensation Board	\$0	(\$1,355,002) GF

**Language:**

Page 54, line 43, strike "\$642,939,579" and insert "\$641,584,577".

Page 58, strike lines 27 to 29.

**Explanation:**

(This amendment defers \$1.4 million GF the second year included in the introduced budget for sheriffs' dispatcher salaries.)

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	Item 61 #1s
<b>Administration</b>	
Compensation Board	Language

**Language:**

Page 61, after line 33, insert:

"L. The Compensation Board, in conjunction with the Board of Local and Regional Jails, shall survey local and regional jails to identify the jail staffing and jail space impacts of making inmates available to appear in virtual court hearings from within the jail facility where such inmate is housed. All local and regional jails shall cooperate in providing requested survey information, and the Office of the Executive Secretary of the Supreme Court shall assist in providing information regarding the prevalence of virtual court hearings for inmates incarcerated in jails, as well as assist the Compensation Board and the Board of Local and Regional Jails in evaluating jail impacts. The agencies shall report the results of such jail surveys and virtual court hearing information, and potential recommendations for staffing and space needs in local and regional jails to address the identified frequency of virtual hearings requested by the court. Such report shall be submitted to the Secretary of Administration and the Secretary of Public Safety and Homeland Security and to the Chairs of the House

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Appropriations and Senate Finance and Appropriations Committees by June 30, 2026."

**Explanation:**

(This amendment includes language directing the Compensation Board to survey local and regional jails to identify the staffing and space impacts of making inmates available to appear in virtual court hearings and to submit a report by June 30, 2026.)

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	Item 64 #1s	
<b>Administration</b>	<b>FY24-25</b>	<b>FY25-26</b>
Compensation Board	\$0	\$1,569,534 GF

**Language:**

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

Page 65, after line 47, insert:

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

**Explanation:**

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

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	Item 64 #2s	
<b>Administration</b>	<b>FY24-25</b>	<b>FY25-26</b>
Compensation Board	\$0	\$270,970 GF

**Language:**

Page 63, line 16, strike "\$104,851,189" and insert "\$105,122,159".

Page 65, after line 47, insert:

"L. Included in this appropriation is \$270,970 the second year from the general fund to convert the Bath County Commonwealth's Attorney's Office and the Highland County Commonwealth's Attorney's Office from part- to full-time status, effective July 1, 2025."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$270,970 GF the second year to convert Bath and Highland County Commonwealth's Attorneys' offices, the only two remaining part-time offices statewide, to full-time status, as elected by the elected Commonwealth's Attorneys and authorized by § 15.2-1629, Code of Virginia. The estimated annual out-year cost is \$286,805.)

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	Item 65 #1s	
<b>Administration</b>	<b>FY24-25</b>	<b>FY25-26</b>
Compensation Board	\$0	\$1,506,638 GF

**Language:**

Page 65, line 50, strike "\$72,444,858" and insert "\$73,951,496".

Page 68, after line 16, insert:

"O. Included in this appropriation is \$1,506,638 the second year from the general fund for the allocation of 120 Deputy Clerk IV positions, effective March 1, 2026. Localities shall utilize such funding to supplement, not supplant, local funds provided for salaries of Commonwealth's Attorneys and their employees."

**Explanation:**

(This amendment provides \$1.5 million GF the second year to circuit court clerks' offices to support increased workloads. Funding is sufficient to cover 120.0 additional Deputy Clerk IV positions, allocated based on the Compensation Board staffing standards, and prorated for a start date of March 1, 2026, to align with the July 1, 2026, effective date in Senate Bill 1466, as it passed the Senate Finance and Appropriations Committee. Language requires offices to use this funding to supplement, not supplant, local funds provided for Commonwealth's Attorneys and their employees.)

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Item 67 #1s

**Administration**

Compensation Board

Language

**Language:**

Page 73, after line 31, insert:

"W. The Compensation Board, in consultation with staff representatives from the Senate Finance and Appropriations Committee, the House Appropriations Committee, and the Department of Planning and Budget, shall recommend options for measures to support analysis of salary increases for employees in constitutional offices based on factors such as market rates and costs, workloads, and parity amongst employees in constitutional offices. The Compensation Board shall report its recommendations to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, by November 1, 2025."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This language amendment directs the Compensation Board to recommend options for measures to support analysis of salary increases for employees in constitutional offices based on factors such as market rates and costs, workloads, and parity amongst employees in constitutional offices. The Compensation Board is also directed to consult with staff representatives from the Senate Finance and Appropriations Committee, the House Appropriations Committee, and the Department of Planning and Budget, and report its recommendations by November 1, 2025.)

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Item 74 #1s

<b>Administration</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Human Resource Management	(\$100,000)	(\$100,000)	GF

**Language:**

Page 78, line 47, strike "\$122,474,053" and insert "\$122,374,053".  
Page 78, line 47, strike "\$122,820,610" and insert "\$122,720,610".

**Explanation:**

(This amendment removes \$100,000 GF each year that was included in the introduced budget for the Commonwealth Leadership Academy.)

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Item 75 #1s

**Administration**

Administration of Health Insurance Language

**Language:**

Page 82, after line 12, insert:  
"I.1. The Department of Human Resource Management shall establish a State Health Plan Advisory Council. The Council shall be comprised of seven members that include: the Secretary of Administration, the Secretary of Finance, the Secretary of Health and Human Resources, the Director of the Department of Human Resources Management, the Director of the Department of Planning and Budget, the staff director of the House Appropriations Committee, and the staff director of the Senate Finance and Appropriations Committees. Any member of the Council may send a designee in their place as a member of the Council.  
2. The Council shall meet at least once each year to: (i) review the performance of the state health plans for the prior fiscal year including claims payments, cost drivers, and access to providers; (ii) review plan benefits and cost sharing provisions; and (iii) review growth in premiums and the financial status of Health Insurance Fund. The Council shall annually make

*Amendments to SB 800 (as Introduced)*

recommendations to the Governor and the General Assembly regarding any changes to the state health plans."

**Explanation:**

(This amendment establishes an Advisory Council to oversee the state health plans.)

---

Item 75 #2s

**Administration**

Administration of Health Insurance

Language

**Language:**

Page 82, after line 12, insert:

"I. No expenditure of funds out of this Item shall be made to make any payments to a vendor pursuant to any contingency fee contract. The Department of Human Resource Management shall not contract with any vendor using a contingency fee payment model."

**Explanation:**

(This amendment clarifies that no funds from the State Health Plan can be made for contingency fee based contracts.)

---

Item 77 #1s

**Administration**

**FY24-25**

**FY25-26**

Department of Elections

(\$500,000)

\$0 GF

**Language:**

Page 83, line 15, strike "\$23,456,957" and insert "\$22,956,957".

Page 84, line 21, strike "\$750,000", insert "\$250,000".

**Explanation:**

(This amendment reduces by \$500,000 GF the first year funding provided for the Department of Elections to develop a plan for the replacement of elections systems.)

---

Item 81 #1s

**Administration**

**FY24-25**

**FY25-26**

Virginia Information Technologies  
Agency

(\$2,000,000)

\$0 GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 88, line 15, strike "\$57,101,374" and insert "\$55,101,374".

Page 90, line 17, strike "\$2,000,000 the first year and".

**Explanation:**

(This amendment removes \$2.0 million GF the first year for the new Project Management Center for Excellence. The second year funding remains.)

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Item 82 #1s

**Administration**

Virginia Information Technologies Agency

Language

**Language:**

Page 92, strike lines 21 through 37, and insert:

"D. The Joint Subcommittee on Cyber Risk is hereby established to provide confidential information to the General Assembly regarding current and emerging cybersecurity risks to the Commonwealth and recommended risk reduction initiatives. The Virginia Information Technologies Agency (VITA) and the Virginia Fusion Center, in consultation with the Secretaries of Administration, Finance, and Public Safety and Homeland Security, shall provide a semi-annual confidential briefing to the Joint Subcommittee. Members of the Joint Subcommittee on Cyber Risk shall include members designated by the chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the chairs and vice-chairs (or their designees) of the Joint Legislative Audit and Review Commission and the Joint Commission on Technology and Science. In addition, two legislative members of the Information Technology Advisory Council, and other legislative or executive branch staff determined to be necessary participants may attend and receive the briefing. Such briefing shall be confidential and exempt from the Virginia Freedom of Information Act, and all those with knowledge of the briefing information shall maintain such confidentiality. Additional meetings of the Joint Subcommittee shall be held as directed by the chairs, upon the written request of the Chief Information Officer of the Commonwealth. Any request for additional meetings shall include a confidential summary of the reasons further briefing is needed, and such request shall be exempt from the requirements of the Freedom of Information Act."

**Explanation:**

(This amendment modifies language in the introduced budget related to the establishment of a Joint Subcommittee on Cyber Risk.)

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Item 85 #1s

**Agriculture and Forestry**

**FY24-25**

**FY25-26**

*Amendments to SB 800 (as Introduced)*

Department of Agriculture and Consumer Services	\$450,000	\$0	GF
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**Language:**

Page 94, line 22, strike "\$9,421,357" and insert "\$9,871,357".

Page 94, line 30, at the beginning of the line, insert "A."

Page 94, after line 32, insert:

"B. Out of the amounts in this Item, \$450,000 the first year from the general fund is provided to implement a Large Animal Veterinary Grant Program under the provisions of Senate Bill 921 of the 2025 General Assembly. Any funding remaining at the end of Fiscal Year 2025 shall be carried forward into the next fiscal year for the purposes described in this paragraph."

**Explanation:**

(This amendment provides \$450,000 GF the first year to implement a Large Animal Veterinary Grant Program under the provisions of SB 921, which would provide incentive grants to increase or stabilize the number of large animal veterinary care providers in Virginia.)

Item 86 #1s

<b>Agriculture and Forestry</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Agriculture and Consumer Services	\$0	(\$250,000)	GF

**Language:**

Page 94, line 35, strike "\$27,685,267" and insert "\$27,435,267".

Page 96, strike lines 20 through 24.

**Explanation:**

(This amendment redirects funding for a new initiative, the Pasture, Rangeland, and Forge Insurance Premium Assistance Program, to budget priorities.)

Item 92 #1s

<b>Agriculture and Forestry</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Agriculture and Consumer Services	\$0 0.00	\$273,243 3.00	GF FTE

**Language:**

Page 98, line 16, strike "\$16,724,887" and insert "\$16,998,130".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$273,243 GF the second year and three positions for the department's cannabis and hemp enforcement responsibilities as outlined in Senate Bill 970.)

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	Item 95 #1s	
<b>Agriculture and Forestry</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Agriculture and Consumer Services	\$150,000	(\$150,000) GF

**Language:**

Page 99, line 35, strike "\$13,970,126" and insert "\$14,120,126".

Page 99, line 36, strike "\$16,909,556" and insert "\$16,759,556".

Page 99, line 45, after ""Item," insert "\$150,000 the first year and"

Page 99, line 45, strike "\$2,939,430" and insert "\$2,789,430"

**Explanation:**

(This amendment redistributes within the biennium funding that was provided for information technology modernization to begin in the first year.)

---

	Item 101 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Economic Development Incentive Payments	\$7,450,000	(\$21,250,000) GF

**Language:**

Page 104, line 21, strike "\$100,022,331" and insert "\$107,472,331".

Page 104, line 21, strike "\$134,381,826" and insert "\$113,131,826".

Page 106, line 24, after "Item," strike "\$21,250,000" and insert "28,700,000".

Page 106, line 24, after "and" strike "\$21,250,000".

**Explanation:**

(This amendment reduces the proposed advance deposits to the Major Headquarters Workforce Grant Fund by \$13.8 million and consolidates funding in the first year. With a deposit of \$28.7 million the first year combined with previous appropriations, \$152.7 million will be available for payments to Amazon starting in FY 2027.)

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	Item 101 #2s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>

*Amendments to SB 800 (as Introduced)*

Economic Development Incentive Payments	\$2,500,000	\$0	GF
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**Language:**

Page 104, line 21, strike "\$100,022,331" and insert "\$102,522,331".  
Page 105, line 27, strike "\$5,000,000" and insert "\$7,500,000".

**Explanation:**

(This amendment increases the Governor's Motion Picture Opportunity Fund to \$7.5 million GF the first year.)

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Item 101 #3s

<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Economic Development Incentive Payments	\$10,000,000	\$0 GF

**Language:**

Page 104, line 21, strike "\$100,022,331" and insert "\$110,022,331".  
Page 108, after line 9, insert:

"V.1.a. Out of the amounts in this item, \$10,000,000 the first year from the general fund is for economic development enhancements on the Eastern Shore of Virginia. Of the amounts in this paragraph, \$5,000,000 is provided to facilitate marine transport access to the Mid-Atlantic Regional Spaceport on Wallops Island. The Virginia Port Authority shall administer a dredging project to create a navigable water channel for transport of rocket components and other uses to serve all commercial partners at the spaceport until longer term solutions are implemented to ensure that the Virginia spaceport remains competitive. To the extent determined to be cost effective and practicable, the project should include shoreline stabilization to reduce the need for future dredging.

b. The Director, Department of Planning and Budget, is authorized to transfer moneys from this paragraph on a quarterly basis to the Virginia Port Authority. The Virginia Port Authority shall verify to the Secretary of Finance and the Director of the Department of Planning and Budget estimated quarterly expenses prior to the release of these funds.

c. The Virginia Port Authority may collaborate with the Virginia Economic Development Partnership, the Virginia Spaceport Authority, commercial partners at the spaceport, and any federal, state, or local agency as may be necessary to complete the marine transport access project.

2. Of the amounts in this paragraph, \$5,000,000 the first year from the general fund is provided to Accomack County to establish natural gas infrastructure expansion into Accomack County. The funding may be applied to engineering, land, right-of-way, permitting, and other related costs to facilitate natural gas delivery to Accomack County.

3. Any funding remaining at the end of either fiscal year from this paragraph shall be

*Amendments to SB 800 (as Introduced)*

reappropriated for the same purpose until project completion."

**Explanation:**

(This amendment provides \$10.0 million GF the first year to enhance economic development of the Eastern Shore. Of the funding, \$5.0 million is directed for the Virginia Port Authority to conduct a dredging project to facilitate marine transport access to the Mid-Atlantic Regional Spaceport on Wallops Island. This investment will serve all commercial partners at the spaceport until longer term solutions are implemented, ensuring that the Virginia spaceport stays competitive. Further efforts are provided for through support of \$5.0 million for Accomack County to establish natural gas infrastructure expansion.)

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	Item 101 #4s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Economic Development Incentive Payments	\$20,000,000	(\$50,000,000) GF

**Language:**

Page 104, line 21, strike "\$100,022,331" and insert "\$120,022,331".  
Page 104, line 21, strike "\$134,381,826" and insert "\$84,381,826".  
Page 106, line 27, strike "\$20,000,000" and insert "\$40,000,000".  
Page 106, line 28, strike "\$70,000,000" and insert "\$20,000,000".

**Explanation:**

(This amendment provides an additional \$20.0 million GF the first year and reduces the appropriation by \$50.0 million GF the second year for the Business Ready Sites Grant Program.)

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	Item 101 #5s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Economic Development Incentive Payments	\$10,000,000	\$0 GF

**Language:**

Page 104, line 21, strike "\$100,022,331" and insert "\$110,022,331".  
Page 108, after line 9, insert:  
"V. Out of the appropriation in this Item, up to \$10,000,000 the first year from the general fund is provided to the University of Virginia for the improvement of a facility to create advanced laboratory space to support the scale up of fast-growing life sciences companies. Prior to the release of any funding, the University of Virginia shall document to the Secretary of Commerce

*Amendments to SB 800 (as Introduced)*

and Trade a matching amount of not less than \$10,000,000 for the project. The Director of the Department of Planning and Budget is authorized to transfer general fund appropriation provided in this paragraph to a capital item at his discretion."

**Explanation:**

(This amendment provides \$10.0 million GF the first year to further the Commonwealth's life sciences initiatives and foster the entrepreneurial ecosystem through development of advanced laboratory space to support companies that might otherwise leave the Commonwealth.)

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		Item 101 #6s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Economic Development Incentive Payments	\$0	(\$1,400,000)	GF

**Language:**

Page 104, line 21, strike "\$134,381,826" and insert "\$132,981,826".  
Page 107, strike lines 51 through 54.  
Page 108, strike line 1.

**Explanation:**

(This amendment removes unneeded authorization for a payment to reflect the negotiated custom incentive payment schedule.)

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		Item 101 #7s	
<b>Commerce and Trade</b>			<b>Language</b>
Economic Development Incentive Payments			

**Language:**

Page 106, at the end of line 35, insert, "The authority may determine a site of at least 25 contiguous acres to be an eligible site provided that the site is located in a locality with an area of 35 square miles of land or less."

**Explanation:**

(This amendment updates budget language to reflect SB 1275 of the 2025 General Assembly.)

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		Item 102 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>	

*Amendments to SB 800 (as Introduced)*

Department of Housing and Community Development	\$0	\$10,000	GF
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**Language:**

Page 108, line 24, strike "\$310,725,885" and insert "\$310,735,885".

**Explanation:**

(This amendment provides \$10,000 GF the second year for the fiscal impact of Senate Bill 1128, which requires the Director of the Department of Housing and Community Development (DHCD) to convene a stakeholder group to develop and publish a criminal record screening model policy for admitting or denying an applicant for affordable housing covered under the Virginia Residential Landlord and Tenant Act.)

		Item 102 #2s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Housing and Community Development	\$0	\$20,000	GF

**Language:**

Page 108, line 24, strike "\$310,725,885" and insert "\$310,745,885".

Page 111, after line 47 insert:

"R. Out of the appropriation in this Item, \$20,000 the second year from the general fund is provided to support the Income Qualified Energy Efficiency and Weatherization Task Force, established under the provisions of Senate Bill 777, 2025 General Assembly Session."

**Explanation:**

(This amendment provides \$20,000 GF the second year to support the Income Qualified Energy Efficiency and Weatherization Task Force, to be established pursuant to Senate Bill 777.)

		Item 102 #3s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Housing and Community Development	\$50,000,000	\$0	GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$385,850,885".

Page 111, strike lines 32 through 47, and insert:

*Amendments to SB 800 (as Introduced)*

"Q.1. Out of this appropriation, \$50,000,000 the first year from the general fund is provided for disaster mitigation and relief for qualified communities. Of the amounts in this paragraph, \$25,000,000 is provided for the department to establish and administer a program for the purposes of providing relief to residents of Virginia that lost or sustained residential property damage as a result of a disaster occurring on or after September 25, 2024, but before October 3, 2024, and subject to a Major Disaster Declaration (FEMA-4831-DR) issued by President Biden on October 1, 2024.

a. The department shall establish procedures for filing and resolving claims, which shall include measures to prevent fraud, and which may include any criteria the department determines reasonable to carry out the provisions of this paragraph. The amount of relief provided to an eligible applicant shall be up to 100 percent of the property value for the realty that represents a total loss and up to 50 percent of the property value for the realty that sustained major damage, as defined by Q.1.c. and Q.1.d. below, not to exceed \$500,000. If an eligible applicant owns multiple, noncontiguous properties in an area affected by the disaster in paragraph Q.1. of this item, the eligible applicant may file separate claims for each parcel, and the maximums described in this paragraph shall apply to each separate claim. The department shall reduce payments by any federal or state relief or insurance payments received by the eligible applicant for property repairs or damage related to the disaster described in paragraph Q.1. of this item.

b. Payments under paragraph Q.1. of this item shall be subject to the availability of funds. If claims exceed available funds, the department shall make payments in the order that claims were received.

c. "Total loss" means real property that has been destroyed, such that there is a total loss of the structure, the structure is not economically feasible to repair, or there is a complete failure to major structural components, such as the collapse of the basement, wall, or roof.

d. "Major damage" means real property that has substantial failure to its structural elements, such as walls, floor, or foundation, or that has sustained damage that will take more than 30 days to repair.

e. "Eligible applicant" means any individual property owner that lost or sustained residential property damage as a result of a disaster occurring on or after September 25, 2024, but before October 3, 2024, and subject to a Major Disaster Declaration (FEMA-4831-DR) issued by President Biden on October 1, 2024.

2. Of the amounts in this paragraph, \$25,000,000 the first year from the general fund is provided for the department to provide major weather event disaster mitigation funding to affected communities to counter the cycle of disaster damage, reconstruction, and repeated damage. Grants under this paragraph shall be made to local governments, nonprofit entities, or individuals to supplement disaster recovery funding by improving the characteristics of the physical structures of houses and multi-family dwellings including the building materials, energy efficiency profile, and hazard mitigation features which influence the accessibility of the home, cost of cooling and heating, and the likelihood that the structure withstands hazards.

a.. The department, in administering the fund provided in this paragraph, may elect to contract with organizations exempt from taxation under 501(c)3 of the Internal Revenue Code with expertise in planning for, providing, constructing, or renovating, weather resilient housing.

b. The department shall develop criteria and guidelines for the program on or before December

*Amendments to SB 800 (as Introduced)*

1, 2025. Funding shall be prioritized for communities eligible under paragraph Q.1.e.; however, any funding remaining shall be made available for the same relief to residents of Virginia that sustained property damage as a result of a flood disaster, mudslide, or landslide that was subject to a Major Disaster Declaration occurring on or after August 1, 2021.

3. The department shall report to the General Assembly on the expenditure of funds from paragraph Q.1. within 90 days of the completion of this assistance program to include total assistance deployed by type of loss, total victims served, and completion of funded repairs or new residential construction. The department shall report to the General Assembly on the expenditure of funds from paragraph Q.2. on or before December 1, 2026. At a minimum the report shall contain information on the number and type of applicants, the number of grants made, and expenditure of grant funding, and the projects completed.

4. The department may recover administrative costs from the amounts provided in this paragraph. Any funding that remains at the end of either fiscal year shall be carried forward for the same purpose in this paragraph."

**Explanation:**

(This amendment provides \$50,000,000 GF the first year to assist victims of Hurricane Helene that suffered major residential damage and to improve the likelihood that housing stock is better able to withstand hazards in communities affected by flood disasters.)

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	Item 102 #4s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$1,500,000	\$0 GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$337,350,885".

Page 111, after line 47, insert:

"R. Out of the appropriations in this item, \$1,500,000 the first year from the general fund is provided to the City of Portsmouth to support ForKids expansion of eviction prevention programs and targeted support for McKinney-Vento children in Portsmouth, Chesapeake, and the surrounding areas."

**Explanation:**

(This amendment provides \$1.5 million GF the first year to the City of Portsmouth to support ForKids eviction prevention services and targeted support for McKinney Vento children in the Hampton Roads area.)

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Item 102 #5s

*Amendments to SB 800 (as Introduced)*

**Commerce and Trade**

**FY24-25**

**FY25-26**

Department of Housing and  
Community Development

\$15,000,000

\$0 GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$350,850,885".

Page 111, after line 47, insert:

"R. 1. Out of the amounts appropriated in this Item, \$15,000,000 the first year from the general fund shall be used to establish and implement a rental assistance pilot program. The department may utilize up to five percent of the funding for the administrative costs associated with implementing the program. Any funds remaining at the end of either year shall be carried forward into the next fiscal year for the purposes of this program.

2. For the purposes of this paragraph, "qualifying household" means a family unit that resides together in one dwelling (i) that includes at least one person 16 years of age or younger and (ii) whose income does not exceed 50.0 percent of the area median income for the locality in which such family resides, as calculated by the U.S. Department of Housing and Urban Development.

3. The department shall establish criteria and guidelines for this pilot program on or before December 1, 2025. The guidelines shall provide that qualifying households may receive monthly rental assistance equal to the lesser of (i) the amount necessary to reduce their housing costs to 30 percent of the monthly adjusted net income of the household or (ii) the applicable payment standard as determined by the department. Rental assistance issued pursuant to this section may be used for housing in any locality in the state, and for housing costs other than rent, such as security deposits and application fees.

4. The guidelines for the administration of the pilot program shall be informed by the 2022 Virginia Housing Stability Fund Model Program Guidelines report and by consultations with various stakeholders, including the Department of Social Services, the Virginia Housing Commission, the Department of Education, McKinney-Vento liaisons, Continuum of Care lead agencies, housing providers, tenants, and others. The department may administer the pilot program in partnership with local and regional agencies, with a priority for partnerships with local school divisions and McKinney-Vento liaisons. The department shall determine rental assistance payment standards for each size of a dwelling unit in a market area, which shall be greater than or equal to the Small Area Fair Market Rent, as established annually by the U.S. Department of Housing and Urban Development, for the same size of dwelling unit in the same market area. The department shall develop a process to ensure that each dwelling unit for which a rental assistance safe and habitable.

5. The department shall collect data on the utilization of the rental assistance issued in each fiscal year under the pilot program and submit an annual report to the General Assembly on or before December 1 of each year with an update on the implementation and impact of the pilot program."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$15.0 million GF the first year to establish and fund a family rental assistance pilot program to provide rental assistance to households with children under age 16 whose income does not exceed 50 percent of the area median income for the locality.)

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	Item 102 #6s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$1,500,000	\$0 GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$337,350,885".

Page 111, after line 47, insert:

"R. Out of this appropriation, \$1,500,000 the first year from the general fund is provided to the City of Charlottesville to support the repurposing of an existing facility to create a low-barrier emergency shelter to address urgent need."

**Explanation:**

(This amendment provides \$1.5 million GF the first year to the City of Charlottesville to repurpose an existing facility into a low-barrier emergency shelter, in conjunction with community partners.)

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	Item 102 #7s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	(\$25,000,000)	\$0 GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$310,850,885".

Page 111, strike lines 32 through 47.

**Explanation:**

(This amendment redirects funding provided in the introduced budget bill. SB 800 provides disaster assistance through another amendment.)

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	Item 102 #8s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>

*Amendments to SB 800 (as Introduced)*

Department of Housing and  
Community Development

\$350,000

\$0 GF

**Language:**

Page 108, line 25, strike "\$335,850,885" and insert "\$336,200,885".

Page 111, after line 47, insert:

"R. Out of the amounts in this Item, \$350,000 the first year from the general fund shall be provided to pilot a statewide emergency management mobile application communications platform in Health Service Area 3. The platform shall provide care coordination across local, regional, and state entities for mass casualty, evacuation, and other events involving patient transport."

**Explanation:**

(This amendment designates \$350,000 GF the first year to pilot a statewide emergency management mobile application communications platform in Southwest Virginia.)

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Item 103 #1s

**Commerce and Trade**

**FY24-25**

**FY25-26**

Department of Housing and  
Community Development

\$5,000,000

\$0 GF

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$155,752,325".

Page 118, line 36, after "P." insert "1."

Page 118, line 36, after "appropriation" delete "and \$150,000" and insert "and \$5,150,000".

Page 118, after line 39, insert:

"2. The department shall use up to 20 percent, but no less than 10 percent of the fund to provide low-interest, non-forgivable loans to qualifying institutions, as defined by § 36-140.01, Code of Virginia. Interest on loans made from the fund shall not exceed three percent.

3. The department shall require (a) qualifying institutions receiving a loan from the fund to finance eligible program projects through loans, and (b) repayment of loan awards no sooner than five years after its execution of a loan contract with the qualifying institution."

**Explanation:**

(This amendment provides \$5.0 million GF the first year to recapitalize the Community Development Financial Institutions Fund and establish a revolving fund to provide low-interest loans to qualifying institutions.)

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Item 103 #2s

*Amendments to SB 800 (as Introduced)*

<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$250,000	\$0 GF

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$151,002,325".

Page 113, line 35, strike "9,000,000" and insert "\$9,250,000".

Page 114, after line 13, insert:

"5. Out of the amounts in this paragraph, \$250,000 the second year from the general fund is provided for a pilot program in Tazewell County for remediation of blighted properties in the Town of Richlands to create affordable housing construction sites. Notwithstanding § 36-155, Code of Virginia, the maximum grant award and local match requirements shall not apply to the amounts provided in this paragraph."

**Explanation:**

(This amendment provides \$250,000 GF the first year to the Removal or Rehabilitation of Derelict Structures Fund for Tazewell County to work with The Town of Richlands to plan for and execute the remediation of blighted properties in order to build affordable housing on the newly cleared sites. At a cost of \$20,000 per property for demolition, debris removal, and administrative and legal activities, 12 structures could be addressed with this funding.)

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Item 103 #3s

<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	(\$15,000,000)	\$0 GF

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$135,752,325".

Page 120, strike lines 26 through 48.

**Explanation:**

(This amendment redirects funding provided for an early learning capital supply building fund. Early learning priorities are addressed elsewhere in SB 800.)

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Item 103 #4s

<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$4,250,000	\$0 GF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$155,002,325".

Page 121, after line 18, insert:

"AA. Out of the amounts in this item, \$4,250,000 the first year from the general fund is provided to the City of Portsmouth for sanitary sewer pump station upgrades."

**Explanation:**

(This amendment provides \$4.3 million GF the first year to support sanitary sewer pump station upgrades in Portsmouth. Upgrades are estimated to cost \$850,000 per pump station, and the amendment would support the upgrade of five stations.)

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	Item 103 #5s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$6,000,000	\$0 GF

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$156,752,325".

Page 121, after line 18, insert:

"AA. Out of the amounts in this item, \$6,000,000 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 \$6 million GF the first year to Portsmouth to support transmission water main improvements.)

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	Item 103 #6s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Housing and Community Development	\$190,000	\$0 GF

**Language:**

Page 111, line 49, strike "\$150,752,325" and insert "\$150,942,325".

Page 121, after line 18, insert:

"AA.1. Out of the appropriation in this item, \$190,000 the first year from the general fund shall be used by the Department to establish a Workforce Housing Incentive Matching Grant program. The program shall provide dollar-for-dollar matching incentive grants to localities, or other political subdivisions acting on behalf of the localities, that offer unique benefits to

*Amendments to SB 800 (as Introduced)*

businesses that provide housing assistance for their workforce.

2. The department shall develop appropriate guidelines and criteria for grant awards and the use of the funding.

3. The department shall report to the General Assembly on or before December 1, 2026 on the pilot program. At a minimum, the report shall include information on the number of applicant localities, description of incentives provided, number and type of businesses participating, and the estimated cost of continuing the program or expanding it statewide."

**Explanation:**

(This amendment provides funding for a pilot incentive program for localities to offer incentives to businesses that provide workforce housing assistance.)

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	Item 109 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Energy	\$0	\$2,500,000 GF

**Language:**

Page 123, line 13, strike "\$4,766,189" and insert "\$7,266,189".

Page 123, after line 48, insert:

"F. Out of this appropriation, \$2,500,000 the second year from the general fund is provided to implement the provisions of Senate Bill 1190 of the 2025 General Assembly Session. The funding shall be allocated by the Virginia Energy Facility Review Board, as established in the legislation, to the planning district commissions to create regional energy plans and provide technical assistance to localities related to siting of critical infrastructure projects."

**Explanation:**

(This amendment provides \$2.5 million GF the second year to be allocated by the Virginia Energy Facility Review Board established under the provisions of Senate Bill 1190 of the 2025 General Assembly Session. The funding will be distributed to the planning district commissions as preliminary support for the creation of regional energy plans and to provide technical assistance for localities to amend comprehensive plans and ordinances in accordance with state policies and goals. The legislation is a recommendation of the Commission on Electric Utility Regulation.)

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	Item 109 #2s
<b>Commerce and Trade</b>	
Department of Energy	Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 123, after line 48, insert:

"F. Upon the effective date of this Act, in accordance with § 4-1.14, the State Comptroller shall revert to the general fund \$10,000,000 from the general fund balances of this department."

**Explanation:**

(This amendment reverts funding for a program that is not legislatively authorized.)

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	Item 109 #3s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Energy	\$1,000,000	\$0 GF

**Language:**

Page 123, line 12, strike "\$4,766,189" and insert "\$5,766,189".

Page 123, after line 48, insert:

"F. Out of this appropriation, \$1,000,000 the first year from the general fund is provided to establish a grant program to expand Electric Vehicle (EV) infrastructure in rural and underserved localities in the Commonwealth. The program may provide grants for development of charging stations at locations on any public road or in other public accessible locations, such as parking facilities at state parks, public buildings, public schools, or in publicly accessible parking facilities owned or managed by a private entity, including agritourism, historic and commemorative attractions, and other entities. In providing grants under this paragraph, the Department shall give priority to projects that expand access to electric vehicle charging infrastructure in state parks, rural areas; low- and moderate-income neighborhoods; and communities with a low ratio of private parking spaces to households or a high ratio of multi-unit dwellings to single family homes, as determined by the Department."

**Explanation:**

(This amendment provides \$1.0 million GF the first year to expand electric vehicle infrastructure in rural and underserved localities in the Commonwealth.)

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	Item 113 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Economic Development Partnership	\$2,500,000	\$0 GF

**Language:**

Page 127, line 8, strike "\$52,951,862" and insert "\$55,451,862".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$2.5 million GF the first year to enhance economic development marketing of the Commonwealth to capitalize on Virginia's designation as a "Top State for Business.")

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	Item 114 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Tourism Authority	(\$5,000,000)	\$0 GF

**Language:**

Page 129, line 19, strike "\$37,859,929" and insert "\$32,859,929".  
Page 131, strike lines 28 though 31.

**Explanation:**

(This amendment redirects \$5.0 million GF the first year provided for a sports tourism initiative to other budget priorities.)

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	Item 115 #1s	
<b>Commerce and Trade</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Innovation Partnership Authority	(\$35,000,000)	\$0 GF

**Language:**

Page 131, line 38, strike "\$167,539,319" and insert "\$132,539,319".  
Page 138, strike lines 28 through 57.  
Page 139, strike lines 1 through 28.

**Explanation:**

(This amendment redirects \$35.0 million GF the first year provided for biotechnology and life sciences.)

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	Item 116 #1s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Secretary of Education	\$0	\$75,000 GF

**Language:**

Page 140, line 3, strike "\$848,147" and insert "\$923,147".  
Page 140, after line 33, insert:

*Amendments to SB 800 (as Introduced)*

"D. 1. The Secretary of Education shall review the need to establish a campus police department versus maintaining a campus security department for the Virginia School for the Deaf and the Blind (VSDB). Such review shall consider: (i) the differences in operating a police department versus a security department to ensure the safety of the students and staff on campus, (ii) the estimated costs, if a campus police department is established, of adding employees to the Virginia Law Officers' Retirement System (VaLORS), as well as Line of Duty Act (LODA) premiums and the costs to the Virginia Retirement System for implementation costs, and (iii) consideration of partnerships with localities or other state entities to support the safety needs of VSDB. As part of the review, VSDB shall submit to the Secretary and the Department of Planning and Budget, an itemized list of current and past employees that would be eligible for VaLORS and LODA payments if a campus police department is authorized. The Secretary shall complete this work by August 15 and issue a letter to VSDB and the Chairs of the Senate Finance and Appropriations and House Appropriations Committees. Any recommendations from this review shall be submitted by VSDB in its annual request for funding through the Department of Planning and Budget.

2. Out of this appropriation, \$75,000 the second year from the general fund is provided for security needs for VSDB. The Director, Department of Planning and Budget, shall unallot this funding until such time that legislation takes effect related to campus safety at VSDB.

**Explanation:**

(This amendment requires the Secretary of Education to review campus safety at VSDB and provides \$75,000 GF the second year to support campus safety. Funds are unallotted and would be available upon passage of a law that authorizes changes to campus safety.)

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Item 117 #1s

**Education: Elementary and Secondary**

Department of Education, Central Office Operations

Language

**Language:**

Page 144, after line 12, insert:

"Q. 1. Notwithstanding any other provision of law, the Department shall delay for a period of one year the implementation of the revised public school accountability system adopted pursuant to 8VAC20-132, in accordance with the federal accountability provisions set forth in the Elementary and Secondary Education Act (Pub. L. No. 89-10), such that the revised public school accountability system shall be implemented beginning with the 2026–2027 school year. No public elementary or secondary school in the Commonwealth shall be issued a school performance score or school performance report, be assigned a school performance category, or be required to take any corrective action under such revised public school accountability system prior to the 2026–2027 school year.

2. The Department shall conduct a comprehensive review of the revised public school accountability system for the purpose of ensuring that such system is designed to achieve fair,

*Amendments to SB 800 (as Introduced)*

- transparent, and actionable results aimed at improving student growth and learning outcomes across the Commonwealth. In conducting such comprehensive review, the Department shall:
- a. Focus on (i) prioritizing enhancing measures of student growth over other performance metrics; (ii) ensuring the fair and reasonable inclusion of English language learners at various stages of English proficiency in the accountability metrics; (iii) assessing how the four school performance categories proposed pursuant to subsection E of 8VAC20-132-270 would impact any school that, under such performance categories, would be placed in the "off track" or "needs intensive support" categories; (iv) reviewing the impact of requiring the administration of additional standardized assessments at grade levels five and eight on such students and incorporating feedback from the parents of such students relating to the administration of such additional standardized assessments; (v) considering proposals for additional state resources and increased support for schools placed in the "off track" or "needs intensive support" performance categories; and (vi) developing a clear articulation of the Board of Education's theory of change detailing how the new accountability system would incentivize and drive behaviors in public schools aimed at improving student outcomes;
  - b. Establish a stakeholder advisory committee consisting of representatives of school boards from each superintendent's region in the Commonwealth, public school teachers, students enrolled in public schools in the Commonwealth, parents of students enrolled in public schools in the Commonwealth, education associations, and English language learner advocacy groups for the purpose of (i) conducting at least one public forum in each Superintendent's Region and (ii) at each forum, soliciting written and oral testimony from a variety of stakeholders, including representatives from school divisions that would be disproportionately impacted by the school performance score measurement indicators and associated school performance categories proposed pursuant to 8VAC20-132-270, and schools serving high proportions of economically disadvantaged, racially diverse, and rural populations;
  - c. Publish by April 1, 2026, a report on the review process and findings; and
  - d. Submit to the Governor, the Senate Committee on Education and Health, and the House Committee on Education by April 1, 2026, a plan for revising the public school accountability system, incorporating its findings from the review required in Q.2. and from the stakeholder advisory committee established pursuant to Q.2.b. of this Item.
  - e. The report shall: (i) include a predictive model of how each public school would be placed into each school performance category proposed in such plan using current data; (ii) include a new timeline for implementation of the revised public school accountability system providing for implementation no earlier than the 2026–2027 school year; and (iii) propose a new or revised public school accountability system that shall prioritize measures of student academic growth over absolute performance on standardized assessments; ensure the inclusion of English language learners in accountability metrics aligned with the various stages of English language proficiency that are aimed at ensuring fairness and reasonableness; consider the socioeconomic and other contextual or systemic factors with which schools across the Commonwealth are faced when assigning school performance scores and associated school performance categories under the revised public school accountability system; and minimize the time and burden of standardized assessments on students, teachers, and other instructional personnel.
3. The Department shall submit to the federal Department of Education such amendments to its

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state plan pursuant to the federal Elementary and Secondary Education Act of 1965, as amended by the federal Every Student Succeeds Act of 2015 (P.L. 114-95), as are necessary to effectuate the provisions of this act and implement the revised public school accountability system pursuant to the provisions of this act. Upon approval of such state plan amendments, the Department shall promulgate such regulations as are necessary to implement the revised school accountability system in accordance with the provisions of this act.

4. The regulations in 8VAC20-131 of the Virginia Administrative Code shall be reinstated and remain in effect until the Department of Education certifies in writing that (i) the review of the revised school accountability system has been completed in accordance with the provisions of this act and (ii) it has received approval from the federal Department of Education for the amendments to its state plan submitted pursuant to Q.2."

**Explanation:**

(This amendment provides language to delay the implementation of the revised public school accountability system to the 2026-2027 school year and establishes an advisory committee to review the proposed system.)

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	Item 119 #1s		
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Education, Central Office Operations	(\$60,500,000)	(\$5,000,000)	GF

**Language:**

Page 146, line 33, strike "\$101,051,012" and insert "\$40,551,012".

Page 146, line 33, strike "\$51,917,836" and insert "\$46,917,836".

Page 147, strike lines 1-21 and insert:

“b. Notwithstanding any contrary provisions of law, the Department is directed and authorized to pursue an extension to the current assessment contracts through December 31, 2027 to allow sufficient time for the Department to complete procurement processes as necessary to select an assessment vendor. Extensions to the existing assessment contracts shall not be subject to the provisions for renewals of high risk contracts.”

“3. a. Out of this appropriation, \$500,000 the first year from the general fund is provided for the Department and Secretary of Education to procure a vendor to analyze options for implementing an innovative new statewide assessment system to support high-quality teaching and learning in public K-12 schools in Virginia. The new assessment system shall align with Virginia's Standards of Learning with the goal of implementation by the 2027-2028 school year. The selected vendor shall have demonstrated expertise in K-12 statewide assessment systems and the development of comprehensive reports with recommendations for state education agencies.

b. The Department and Secretary of Education shall establish a workgroup to provide input on the needs of the assessment system, participate in the work of the vendor, and consist, at a

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minimum, of representatives of superintendents, teachers, principals, and individuals with experience implementing statewide assessment systems.

c. The scope of work for the vendor shall include:

1. An analysis of assessment systems in other states, emphasizing models that incorporate: (a) alignment with state standards and instructional goals, (b) non-traditional assessments, such as project-based or performance-based approaches, (c) accessibility for English learners and students with disabilities, with examples of accommodations and multilingual assessments from other states, (d) advanced technology integration, such as adaptive testing and online platforms, including infrastructure requirements and associated costs, (e) integration of authentic growth measures that provide formative feedback for educators and could be integrated into a statewide assessment system, (f) feedback on the application of knowledge and higher-level reasoning skills as described in the standards, and (g) best practices for release of rubrics, sample items and tasks, anchor papers, exemplars, and other resources that clarify the benchmarks for success.

2. An evaluation of the feasibility and cost-effectiveness of pilot testing components of the proposed assessment system before full implementation.

3. Guidance and recommendations for the Department to develop a competitive RFP for vendors to redesign and manage the statewide assessment system and recommendations for the Department and school divisions to implement best practices in change management to ensure a successful transition to a new system.

4. Implementation timelines and identification of key performance indicators for a successful transition to a new system.

5. Compliance with federal requirements, including the Every Student Succeeds Act (ESSA).

d. The Department and Secretary of Education shall: (i) post an RFP for this analysis within three weeks of the effective date of this Act pursuant to §4.14.00 of this Act and shall consider members of the workgroup to serve on the selection committee for the vendor; (ii) provide monthly email status to updates to the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee, as well as to staff for review and feedback before the final report; (iii) submit a final report and recommendations, including options for building a high-quality assessment system and associated costs, to the Virginia Department of Education, the Chair of the House Education Committee, the Chair of the Senate Education and Health Committee, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2025."

**Explanation:**

(This amendment redirects \$60.5 million GF the first year and \$5.0 million GF the second year that was proposed for a new state assessment contract in the introduced budget. Language authorizes the extension of the current assessment contract through December 31, 2027 to provide time to procure a new contract, as well as to establish a process for the request for proposals (RFP), including contracting with a vendor to ensure the quality of the RFP.)

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<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Education, Central Office Operations	(\$50,000,000)	\$0 GF

**Language:**

Page 147, line 42, strike "\$60,289,341" and insert "\$10,289,341".  
Page 148, strike lines 34-56.

**Explanation:**

(This amendment redirects \$50.0 million GF the first year proposed in the introduced budget for school performance initiatives.)

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Item 120 #2s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Education, Central Office Operations	(\$250,000)	(\$1,000,000) GF

**Language:**

Page 147, line 42, strike "\$60,289,341" and insert "\$60,039,341".  
Page 147, line 42, strike "\$16,024,149" and insert "\$15,024,149".  
Page 148, strike lines 30-33.

**Explanation:**

(This amendment redirects \$250,000 GF the first year and \$1.0 million GF the second year proposed for regional support specialists to support other school or student improvement programs.)

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Item 120 #3s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Education, Central Office Operations	\$12,000,000 0.00	\$1,000,000 GF 5.00 FTE

**Language:**

Page 147, line 42, strike "\$60,289,341" and insert "\$72,289,341".  
Page 147, line 42, strike "\$16,024,149" and insert "\$17,024,149".  
Page 148, after line 56, insert:

"F.1. Out of this appropriation, \$12,000,000 the first year and \$1,000,000 the second year from the general fund is provided to support a mathematics initiative focused on improving

*Amendments to SB 800 (as Introduced)*

mathematics education in public elementary and secondary schools in the Commonwealth. The Department shall establish and hire a Director of Mathematics Improvement with substantial experience in mathematics education and instruction. The Department shall hire four regional coordinators and provide funding to support data collection and analysis.

2. The Director shall oversee the regional coordinators and coordinate efforts to provide unified information about the improvement of mathematics education to all regions of the Commonwealth.

3. The regional coordinators shall (i) collaborate with school boards and division superintendents to support the establishment, maintenance, and operation of programs, policies, and professional development to improve mathematics instruction, (ii) provide assistance and recommendations regarding best practices for mathematics education, and (iii) support the implementation of competency-based mathematics education and evidence-based mathematics learning. Efforts shall prioritize areas of mathematics with the greatest gaps in learning and encourage school-based activities.

4. The Department shall analyze mathematics progress and achievement data in public schools in the Commonwealth, including (i) developing data collection and analysis methods for measuring and tracking student progress in mathematics, and (ii) providing data on mathematics improvement initiatives, programs, and policies in the Commonwealth, disaggregated by school division, school, and grade level.

5. Of this amount, \$12,000,000 the first year is provided to support grants to school divisions for mathematics curriculum support and innovative strategies to improve student outcomes. School divisions must leverage existing resources, including recent state investments. Any funds in this appropriation unexpended by June 30, 2025, shall not revert and be reappropriated in fiscal year 2026 and the next biennium for the same purpose. The Department shall administer grant funds and establish guidelines and an application process by November 1, 2025.

6. The Department shall report on (i) the quality and effectiveness of the initiative's efforts to improve mathematics education, including the status of grant funds provided to school divisions, and (ii) the quality and effectiveness of professional development opportunities for mathematics instructors in the Commonwealth and the instructional guidelines developed by the Department. The report shall be submitted to the Board of Education and the Chairs of the Senate Finance and Appropriations, Senate Education and Health, House Education, and House Appropriations Committees by November 1 annually beginning in 2026."

**Explanation:**

(This amendment provides \$12.0 million GF the first year and \$1.0 million GF the second year and five positions to support a mathematics improvement initiative, including one-time grant funds for curriculum support and innovative strategies to improve student outcomes and ongoing funding for regional specialists and a data analyst to support public schools in the Commonwealth.)

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<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Education, Central Office Operations	(\$1,900,000)	(\$3,100,000)	GF

**Language:**

Page 150, line 21, strike "\$29,194,418" and insert "\$27,294,418".

Page 150, line 21, strike "\$31,269,584" and insert "\$28,169,584".

**Explanation:**

(This amendment redirects \$1.9 million GF the first year and \$3.1 million GF the second year that was proposed as additional funding for Virginia's Visualization and Analytics Solution (VVAAS) in the introduced budget.)

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Item 123 #2s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Education, Central Office Operations	\$5,138,000	\$0	GF

**Language:**

Page 150, line 21, strike "\$29,194,418" and insert "\$34,332,418".

Page 151, after line 51, insert:

"K. Learning Management System

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."

**Explanation:**

(This amendment provides \$5.1 million GF the first year to support the provision of a statewide Learning Management System, which has previously been supported with federal funds.)

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Item 124 #1s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$500,000	\$0	GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,459,567".

Page 165, after line 26, insert:

"GGG. Out of this appropriation, \$500,000 the first year from the general fund is provided to support the Troops to Teachers program at the College of William and Mary to support military

*Amendments to SB 800 (as Introduced)*

service members who want to become licensed K-12 teachers."

**Explanation:**

(This amendment provides \$500,000 GF the first year to support Troops to Teachers at the College of William and Mary.)

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	Item 124 #2s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$500,000	\$0 GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,459,567".

Page 165, after line 26, insert:

"GGG. Out of this appropriation, \$500,000 the first year from the general fund is provided to Opportunity Scholars to support program expansion in Hampton Roads and Northern Virginia."

**Explanation:**

(This amendment provides \$500,000 GF the first year to support Opportunity Scholars in expanding programming to Hampton Roads and Northern Virginia.)

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	Item 124 #3s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$1,000,000	\$0 GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,959,567".

Page 164, line 44, strike the first instance of "\$2,500,000" and insert "\$3,500,000".

Page 164, line 46, at the end of the line insert: "Any unexpended funds at the end of fiscal year 2025 shall not revert and shall be reappropriated for the same purpose in the next fiscal year."

**Explanation:**

(This amendment increases the appropriation for Community Schools by \$1.0 million GF the first year.)

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	Item 124 #4s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$500,000	\$0 GF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,459,567".

Page 165, after line 26, insert:

"GGG. Out of this appropriation, \$500,000 the first year from the general fund is provided to the Greater Peninsula C.A.R.E.S. Learning Recovery Program to support students experiencing significant learning loss in Hampton and Newport News with a focus on academic recovery, social development, and equitable access to educational resources."

**Explanation:**

(This amendment provides \$500,000 GF the first year to the Greater Peninsula C.A.R.E.S. Learning Recovery Program to address learning loss among students in Hampton and Newport News. The program seeks to prioritize serving students experiencing significant learning loss, including those from low-income families, English Language Learners, and students with disabilities.)

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Item 124 #5s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

\$500,000

\$0 GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,459,567".

Page 162, line 12, strike the first instance of "\$1,200,000" and insert "\$1,700,000".

Page 162, line 15, at the end of the line, insert "be determined by July 1 of each year in consultation with division superintendents or their designee and shall".

Page 162, line 18, after "incorporate" strike the remainder of the line.

Page 162, line 19, strike "to assess".

**Explanation:**

(This amendment provides an additional \$500,000 GF the first year for eMediaVA and adjusts language to clarify the timeline for determining digital content each year.)

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Item 124 #6s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

\$250,000

\$0 GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,209,567".

Page 161, line 56, strike the first instance of "\$850,000" and insert "\$1,100,000".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides an additional \$250,000 GF the first year to support Blue Ridge PBS.)

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	Item 124 #7s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$250,000	\$0 GF

**Language:**

Page 152, line 16, strike "\$79,959,567" and insert "\$80,209,567".

Page 165, after line 26, insert:

"GGG. Out of this appropriation, \$250,000 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 in the development and/or implementation of a cardiac emergency response plan (CERP) or athletic emergency action plan (EAP) or in the purchase or funding of activities or equipment that further promotes CERP or athletic EAP preparedness. Any unexpended funds at the end of fiscal year 2026 shall not revert and be reappropriated for the same purpose in the next fiscal year."

**Explanation:**

(This amendment provides \$250,000 GF the first year to support grants for public schools to develop and/or implement cardiac emergency response plans (CERP) or athletic emergency action plans (EAP).)

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	Item 124 #8s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$0	\$250,000 GF

**Language:**

Page 152, line 16, strike "\$51,544,567" and insert "\$51,794,567".

Page 165, after line 26, insert:

"GGG. Out of this appropriation, \$250,000 the second year from the general fund is provided for the Virginia Leads Innovation Network (VaLIN) to enable the network to support a regional center model supporting the needs of Virginia's educators, students, and families."

**Explanation:**

(This amendment provides \$250,000 GF the second year for the Virginia Leads Innovation

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Network (VaLIN) to enable the network's support of Virginia's education system via a regional center model.)

---

Item 125 #1s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$0	(\$50,000,000)	GF

**Language:**

Page 165, line 28, strike "\$10,555,596,888" and insert "\$10,505,596,888".

Page 200, strike lines 49-52.

Page 201, strike lines 1-26.

**Explanation:**

(This amendment redirects \$50.0 million GF the second year included in the introduced budget for Virginia Opportunity Scholarships to support other K-12 education initiatives.)

---

Item 125 #2s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	(\$25,000,000)	\$0	GF

**Language:**

Page 165, line 28, strike "\$10,567,091,936" and insert "\$10,542,091,936".

Page 200, strike lines 38-48.

**Explanation:**

(This amendment redirects \$25.0 million GF the first year included in the introduced budget for the College Partnership Laboratory Schools Fund to support other K-12 initiatives.)

---

Item 125 #3s

<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$0	\$222,915,021	GF

**Language:**

Page 165, line 28, strike "\$10,555,596,888" and insert "\$10,778,511,909".

Page 179, line 45, after "and" insert:

"27.89 support positions per 1,000 ADM to funded SOQ instructional positions".

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**Explanation:**

(This amendment provides \$222.9 million GF the second year to raise the support cap to the prevailing ratio of 27.89 positions per 1,000 students in FY 2026 based on the recommendation of the Joint Subcommittee on Elementary and Secondary Education Funding.)

---

	Item 125 #4s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$0	\$52,782,732 GF

**Language:**

Page 165, line 28, strike "\$10,555,596,888" and insert "\$10,608,379,620".

Page 201, after line 26, insert:

"46. Special Education Add-On

Out of this appropriation, \$52,782,732 the second year from the general fund is provided to support an add-on to the basic aid for special education students based on a calculation of 4.75 percent for students identified as requiring Level I Services and 5.25 percent for students identified as requiring Level II Services."

**Explanation:**

(This amendment provides \$52.8 million GF the second year for additional support to special education students based on the recommendation of the Joint Subcommittee on Elementary and Secondary Education Funding.)

---

	Item 125 #5s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>
Direct Aid to Public Education	\$134,399,957	\$0 GF

**Language:**

Page 165, line 28, strike "\$10,567,091,936" and insert "\$10,701,491,893".

Page 201, after line 26, insert:

"46. Bonus Payment

a. Out of this appropriation, \$134,399,957 the first year from the general fund is provided for a one-time bonus payment of \$1,000 by no later than June 1, 2025, per funded SOQ instructional position and support position employed in academic year 2024-2025, including Academic Year Governor's Schools and Regional Alternative Education Programs.

b. Sufficient funding is provided for the entire cost of an average \$1,000 bonus per funded SOQ instructional and support position in the first year of this act. School divisions shall have discretion to determine the amount of bonuses per employee to maximize the use of these funds

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to promote retention among instructional and support positions in this act. The funds shall require no match by the local government."

**Explanation:**

(This amendment provides \$134.4 million GF the first year to fund the cost of up to a \$1,000 bonus per funded SOQ instructional and support position. There is no required local match.)

---

		Item 125 #6s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$0	(\$23,999,995)	GF
	\$0	\$23,999,995	NGF

**Language:**

Page 175, line 36, strike "\$875,335,350" and insert "899,335,345".

**Explanation:**

(This amendment supplants \$24.0 million GF the second year with \$24.0 million NGF from Lottery Proceeds Fund from the cash balances in the Fund.)

---

		Item 125 #7s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$0	(\$35,000,000)	GF
	\$0	\$35,000,000	NGF

**Language:**

Page 177, line 39, strike "\$150,000,000" and insert "\$185,000,000".

**Explanation:**

(This amendment supplants \$35.0 million GF the second year with \$35.0 million NGF from the Literary Fund to support teacher retirement.)

---

		Item 125 #8s	
<b>Education: Elementary and Secondary</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Direct Aid to Public Education	\$2,454,974	\$2,704,111	GF

**Language:**

Page 165, line 28, strike "\$10,567,091,936" and insert "\$10,569,546,910".

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Page 165, line 28, strike "\$10,555,596,888" and insert "\$10,558,300,999".

Page 193, line 47, strike "\$9,001,561" and insert "\$11,456,535".

Page 193, line 48, strike "\$9,915,081" and insert "\$12,619,192".

**Explanation:**

(This amendment reflects a technical correction of \$2.5 million GF the first year and \$2.7 million GF the second year to correct the reimbursement rate for school breakfast payments based on an increase to the reimbursement rate passed in the 2024 Session.)

---

Item 125 #9s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

\$2,664,007

\$2,669,076

GF

**Language:**

Page 165, line 28, strike "\$10,567,091,936" and insert "\$10,569,755,943".

Page 165, line 28, strike "\$10,555,596,888" and insert "\$10,558,265,964".

Page 188, line 31, strike "\$37,170,314" and insert "\$39,834,321".

Page 188, line 32, strike "\$37,106,753" and insert "\$39,775,829".

**Explanation:**

(This amendment reflects a technical correction of \$2.7 million GF the first year and \$2.7 million GF the second year to correct Early Reading data for a locality.)

---

Item 125 #10s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

(\$150,000,000)

\$0

NGF

**Language:**

Page 165, line 28, strike "\$10,567,091,936" and insert "\$10,417,091,936".

Page 199, line 10, strike "and".

Page 199, line 11, strike the line.

Page 199, line 12, strike "School Construction Fund".

**Explanation:**

(This amendment redirects \$150.0 million NGF the first year from the Literary Fund, proposed for school construction assistance grants in the introduced budget.)

---

Item 125.10 #1s

**Education: Elementary and Secondary**

Direct Aid to Public Education

Language

**Language:**

Page 206, line 6, after "0.5000" strike the remainder of the line.

**Explanation:**

(This amendment reverses language that would remove the 0.5000 cap of local composite index placed on the Virginia Preschool Initiative in the introduced budget.)

Item 125.10 #2s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

(\$3,001,447)

\$0 GF

**Language:**

Page 201, line 28, strike "\$560,180,474" and insert "\$557,179,027".

**Explanation:**

(This amendment reflects a technical savings of \$3.0 million GF the first year for updated enrollment numbers for the Virginia Preschool Initiative (VPI) in FY 2025.)

Item 125.10 #3s

**Education: Elementary and Secondary**

**FY24-25**

**FY25-26**

Direct Aid to Public Education

\$25,000,000

\$0 GF

**Language:**

Page 201, line 28, strike "\$560,180,474" and insert "\$585,180,474".

Page 209, after line 45, insert:

"J. Employer Cost-Share Pilot Program

1. Out of this appropriation, \$25,000,000 the first year from the general fund is provided to support an early childhood employer cost-share pilot program through public-private partnerships to increase the supply of high-quality early childhood care and education services by providing matching funds for employer contributions. The pilot shall be administered by the Virginia Early Childhood Foundation (VECF), in consultation with the Virginia Business Roundtable for Early Education, the relevant regional entities established pursuant to subsection D of § 22.1-289.05 of the Code of Virginia, and the Commission on Early Childhood Care and Education, with the objective of increasing the supply of quality early learning spaces to support working families by creating additional slots.

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2. The VECF shall, in consultation with the Early Childhood Care and Education Commission, establish guidelines for the pilot program that address regional early childhood care and education supply challenges and prioritize areas of greatest need. Guidelines must consider differentiation of costs and income eligibility based on regional and income differences that prioritize low- and middle-income families. Guidelines shall require the employer to contribute, on average, 37.5 percent of the cost per slot. Employees shall contribute no more than 25.0 percent of the cost per slot, on average. Any unexpended funds at the end of each fiscal year shall not revert and be reappropriated for the same purpose in the next fiscal year until June 30, 2027.

3. Program guidelines shall be completed by November 1, 2025, and approved by the Early Childhood Care and Education Commission.

4. The VECF shall report to the Chairs of the House Appropriations, House Education, Senate Finance and Appropriations, and Senate Education and Health Committees on the status of the pilot program by November 1, 2026. The report must include the status of any awarded funds and updates on partnerships and recommendations on the continuation of state matching funds for the pilot program."

**Explanation:**

(This amendment provides \$25.0 million GF the first year to support an employer cost-share pilot program to provide additional early childhood care and education slots for working families in the Commonwealth. Pilot program funding could be between 6,900 and 7,700 slots when combined with other actions from the introduced budget and the 2,440 additional slots included in Chapter 2.)

---

Item 125.10 #4s

**Education: Elementary and Secondary**

Direct Aid to Public Education

Language

**Language:**

Page 203, strike lines 3-6.

Page 209, strike lines 25-45 and insert:

"I. 1. The Early Childhood Care and Education Commission shall review and recommend updates to the enrollment of school-aged children in the Child Care Subsidy Program. Such review must also include an update on the current structure of publicly-funded out-of-school time learning and extracurricular programs and should evaluate how to : (i) maximize public dollars while ensuring parent choice; (ii) quantify impact and return on investment including evaluating cost and cost factors in comparison to birth-to-five programming; (iii) strengthen quality of afterschool and summer options and whether a statewide measurement system is needed; (iv) identify out-of-school time deserts; and (v) develop innovative approaches to reduce deserts, better support working parents, and ensure sustainability.

2. In conducting the review, the Commission shall consult representatives of school divisions,

*Amendments to SB 800 (as Introduced)*

21st Century Learning grantees, private childcare providers, Virginia Partnership for Out-of-School Time, local Parks and Recreation entities, the YMCA, Communities in Schools, Boys and Girls Clubs, and other non-profit organizations that provide out-of-school time programming.

3. The Commission shall provide the report to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2025."

**Explanation:**

(This amendment removes the proposed pause on school-aged children enrollment in the Child Care Subsidy Program that was included in the introduced budget and adjusts the workgroup language.)

---

Item 125.10 #5s

**Education: Elementary and Secondary**

Direct Aid to Public Education

Language

**Language:**

Page 202, line 45, at the end of the line, insert:

"The Department of Education shall report waitlist data, including an estimate of how many children on the waitlist could be served immediately if a slot became available based on eligibility and regional capacity, to the General Assembly by November 1 of each year."

Page 203, line 44, at the end of the line, insert:

"The Department of Education shall report waitlist data, including an estimate of how many children on the waitlist could be served immediately if a slot became available based on eligibility and regional capacity, to the General Assembly by November 1 of each year."

Page 206, line 28, at the end of the line, insert:

"The Department of Education shall report waitlist data, including an estimate of how many children on the waitlist could be served immediately if a slot became available based on eligibility and regional capacity, to the General Assembly by November 1 of each year."

**Explanation:**

(This amendment provides language for the Child Care Subsidy Program, Mixed Delivery, and the Virginia Preschool Initiative to adjust waitlist reporting methods for early childhood education.)

---

Item 125.10 #6s

**Education: Elementary and Secondary**

Direct Aid to Public Education

Language

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 203, line 8, after "Program" insert ", subject to review by the Early Childhood Care and Education Commission,".

Page 203, line 9, at the end of the line insert: "The Department shall report proposed changes to the General Assembly by November 1, 2025."

Page 204, line 29, strike "," and insert " and subject to review by the Early Childhood Care and Education Commission,".

Page 204, line 30, at the end of the line insert: "The Department shall report proposed changes to the General Assembly by November 1, 2025."

Page 205, line 2, after "Initiative" insert: ", subject to review by the Early Childhood Care and Education Commission,".

Page 205, line 3, at the end of the line insert: "The Department shall report proposed changes to the General Assembly by November 1, 2025."

**Explanation:**

(This amendment adds language making revisions to early childhood education program attendance requirements subject to review by the Early Childhood Care and Education Commission and requiring the Department of Education to report proposed changes to the General Assembly by November 1, 2025, for all three early childhood programs.)

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	Item 130 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
State Council of Higher Education for Virginia	\$0	\$9,000,000 GF

**Language:**

Page 212, line 29, strike "\$320,288,512" and insert "\$329,288,512".

Page 212, line 44, strike the second instance of "102,325,881" and insert "111,325,881".

**Explanation:**

(This amendment provides an additional \$9.0 million GF the second year to meet the expected growth in enrollment for the Tuition Assistance Grant (TAG).)

---

	Item 130 #2s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
State Council of Higher Education for Virginia	\$15,000,000	(\$3,500,000) GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 212, line 29, strike "\$308,988,512" and insert "\$323,988,512".

Page 212, line 29, strike "\$320,288,512" and insert "\$316,788,512".

Page 215, line 47, strike "\$22,450,000" and insert "\$37,450,000"

Page 215, line 47, strike "\$27,250,000" and insert "\$23,750,000".

Page 215, line 50, after "Virginia", insert "(SCHEV)".

Page 216, after line 5, insert:

5. Beginning in FY 2026, funding for the grant shall not be provided to high school students, except those students who register independently of their high school program, unless authorized in an appropriation act that is signed into law. If an eligible institution plans to use the grant to provide services to high school students, except those who register independently from their high school program, then the institution must submit a request to SCHEV. SCHEV and the Department of Education (DOE) shall review the requests, identify how existing funds provided for career and technical education through Direct Aid and the federal Carl D. Perkins Career and Technical Education Act may be leveraged, and develop recommendations regarding high school participation that does not supplant existing funding. SCHEV and DOE shall a report to the Governor and Chairs of the Senate Committee on Finance and Appropriations and House Committee on Appropriations by November 1, 2025.

**Explanation:**

(This amendment provides \$15.0 million GF the first year and redirects \$3.5 million GF the second year to support the New Economy Workforce Credential grant program that provides noncredit, industry-based credential training and places a restriction on high school students participating in the program )

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	Item 130 #3s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
State Council of Higher Education for Virginia	\$0	(\$1,500,000) GF

**Language:**

Page 212, line 29, strike "\$320,288,512" and insert "\$318,788,512".

Page 217, delete lines 15-39.

**Explanation:**

(This amendment redirects \$1.5 million GF the second year included in the introduced budget to support grants to nursing students attending private, nonprofit institutions that are designated as Hispanic-Serving by the U.S. Department of Education to support other higher education initiatives.)

*Amendments to SB 800 (as Introduced)*

Item 130 #4s

**Education: Higher Education**

**FY24-25**

**FY25-26**

State Council of Higher Education for  
Virginia

\$30,000,000  
(\$60,000,000)

\$0 GF  
(\$60,000,000) NGF

**Language:**

Page 212, line 29, strike "\$308,988,512" and insert "\$278,988,512".

Page 212, line 29, strike "\$320,288,512" and insert "\$260,288,512".

Page 216, line 44, strike "\$65,000,000 each year" and insert "\$95,000,000 the first year and \$65,000,000 the second year".

Page 216, line 45, strike "and \$60,000,000 each year from nongeneral funds".

Page 216, line 48, after "funds" strike the remaining line.

Page 217, strike lines 6-9.

Page 217, line 10, strike "6" and insert "5".

**Explanation:**

(This amendment provides \$30.0 million from the general fund the first year versus the nongeneral fund amounts provided in the introduced budget. No changes are made to tuition waiver eligibility.)

Item 132 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

State Council of Higher Education for  
Virginia

\$0

(\$12,000,000) GF

**Language:**

Page 218, line 2, strike "\$50,037,467" and insert "\$38,037,467".

Page 222, delete lines 29-50.

**Explanation:**

(This amendment redirects \$12.0 million GF provided the second year in the introduced budget for a competitive nursing grant program to support other higher education initiatives.)

Item 132 #2s

**Education: Higher Education**

**FY24-25**

**FY25-26**

*Amendments to SB 800 (as Introduced)*

State Council of Higher Education for  
Virginia

\$500,000

\$0 GF

**Language:**

Page 218, line 2, strike "\$34,546,518" and insert "\$35,046,518".

Page 222, after line 50, insert:

"V. Out of this appropriation, \$500,000 the first year from the general fund is provided to support a Hunger-Free Campus Food Pantry Grant Program to public institutions of higher education and nonprofit, private institutions participating in the tuition assistance grant program. The State Council of Higher Education for Virginia (SCHEV) shall award grants to institutions that establish an on-campus food pantry or partner with a local food bank to provide information to students about food services in the local area. All food provided from the on-campus food pantry shall be free of charge, and no student shall be required to demonstrate food insecurity to access such pantry. Institutions that meet this requirement shall receive a "Hunger-Free Campus Food Pantry" designation. Funds may be used to support on-campus efforts and initiatives to eliminate student food insecurity. Funds shall not revert and shall remain available for the next fiscal year. SCHEV shall submit a report on the total number and amounts of grant awards, information about the impact of the program on food insecurity, and recommendations regarding establishment of an annual appropriation to the chairs of the Senate Committee on Education and Health and the House Committee on Education by July 1, 2026."

**Explanation:**

(This amendment provides \$500,000 GF the first year to establish a Hunger-Free Campus Food Pantry grant program administered by the State Council of Higher Education for Virginia (SCHEV).)

---

Item 132 #3s

**Education: Higher Education**

**FY24-25**

**FY25-26**

State Council of Higher Education for  
Virginia

\$0

(\$360,000) GF

**Language:**

Page 218, line 2, strike "\$50,037,467" and insert "\$49,677,467".

**Explanation:**

(This amendment redirects funding included in the introduced budget by \$360,000 GF the second year to support other higher education initiatives.)

---

Item 132 #4s

**Education: Higher Education**

State Council of Higher Education for Virginia

Language

**Language:**

Page 219, after line 40, insert:

"The State Council of Higher Education of Virginia (SCHEV), shall establish a Memorandum of Understanding (MOU) with the Virginia Economic Development Partnership (VEDP) to support the employer-focused outreach and engagement component of the Program. SCHEV and VEDP shall identify the appropriate funding amounts to fulfill this component and shall include no more than \$6,000,000 general fund each year beginning in FY 2026 as funds are appropriated. VEDP is authorized to employ a program leader and contract for professional services. The outreach and engagement engage include businesses in all sectors, nonprofit organizations, and state and local government organizations that seek to provide internship or work-based learning opportunities.

SCHEV and VEDP, in consultation with partners, shall establish goals and metrics for internships and work-based learning opportunities for employers, students, and institutions that support an increased number of students and employers participating in internships and work-based learning opportunities while ensuring the quality of the program. Institutions shall set goals and progress measures aligned with the metrics established by SCHEV and VEDP related to increasing the number of students participating in internships and work-based learning opportunities and shall develop a plan to ensure that existing programs and any new programs developed include internships or a work-based learning opportunity where appropriate. Institutions shall report progress to SCHEV annually regarding progress on these goals.

SCHEV and VEDP shall submit an annual report to the Governor and the Chairs of the House Committee on Appropriations and Senate Committee on Finance and Appropriations on progress of meeting the goals and metrics, including institutional progress, and expenses incurred for the activities outlined in this item by November 1 of each year."

Page 220, line 14, after "grants", insert "shall be administered by VEDP in accordance with the MOU established in this item."

Page 220, line 33, strike "The Council" and insert "VEDP, in accordance with the MOU established in this item."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment adjusts language regarding the innovative internship program and directs VEDP to administer the employer-focused component of the Program. It also establishes reporting requirements for SCHEV, VEDP, and institutions to meet goals and metrics established for the Program.)

---

Item 132 #5s

**Education: Higher Education**

**FY24-25**

**FY25-26**

State Council of Higher Education for Virginia

\$15,000,000

\$0 GF

**Language:**

Page 218, line 2, strike "\$34,546,518" and insert "\$49,546,518".

Page 222, after line 50, insert:

"V. Out of this appropriation, \$15,000,000 the first year from the general fund is provided in one-time support of an information technology collaboration among four institutions to streamline business processes and transition to a customer-focused enterprise resource planning (ERP) system. Funds shall be allocated to institutions as follows: \$4.1 million to Norfolk State University, \$4.1 million to the College of William and Mary, \$3.5 million to University of Mary Washington, and \$3.3 million to Christopher Newport University. The State Council of Higher Education for Virginia shall disburse funds once institutions execute a contract with the ERP system. The College of William and Mary shall lead an initiative with participating institutions to streamline business process, identify appropriate change management processes needed as part of an IT modernization, and document lessons learned. The College of William and Mary shall compile this information into a report that shall serve as a guide for partner institutions and submit the report to SCHEV for distribution to other institutions as part of its coordinating role. Such funds shall not revert to the general fund at the end of the biennium and shall remain available for distribution."

**Explanation:**

(This amendment provides \$15.0 million GF the first year in one-time support for an IT modernization collaborative.)

---

Item 136 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Christopher Newport University

\$0

\$1,090,000 GF

**Language:**

Page 223, line 40, strike "\$109,137,716" and insert "\$110,227,716".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$1.1 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 137 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Christopher Newport University	\$0	\$330,000	GF

**Language:**

Page 224, line 35, strike "\$12,419,360" and insert "\$12,749,360".

**Explanation:**

(This amendment provides \$330,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 140 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
The College of William and Mary in Virginia	\$0	\$1,090,000	GF

**Language:**

Page 225, line 29, strike "\$283,622,885" and insert "\$284,712,885".

**Explanation:**

(This amendment provides \$1.1 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 140 #2s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
The College of William and Mary in Virginia	\$500,000	\$0	GF

**Language:**

Page 225, line 29, strike "\$283,622,885" and insert "\$284,122,885".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$500,000 GF the first year to support the William and Mary Community Law Clinic to serve community members in matters of housing, family law, public benefits, consumer protection, and other general litigation issues.)

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	Item 141 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
The College of William and Mary in Virginia	\$0	\$166,000 GF

**Language:**

Page 227, line 15, strike "\$61,417,020" and insert "\$61,583,020".

**Explanation:**

(This amendment provides \$166,000 GF the second year to support undergraduate need-based financial aid.)

---

	Item 144 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Richard Bland College	\$0	\$300,000 GF

**Language:**

Page 228, line 21, strike "\$21,280,884" and insert "\$21,580,884".

**Explanation:**

(This amendment provides \$300,000 GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

	Item 145 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Richard Bland College	\$0	\$52,000 GF

**Language:**

Page 229, line 43, strike "\$2,474,630" and insert "\$2,526,630".

**Explanation:**

(This amendment provides \$52,000 GF the second year to support undergraduate need-based financial aid.)

*Amendments to SB 800 (as Introduced)*

---

Item 148 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Institute of Marine Science

\$0

(\$100,000)

GF

**Language:**

Page 230, line 27, strike "\$33,627,498" and insert "\$33,527,498".

**Explanation:**

(This amendment redirects \$100,000 GF the second year that was included in the introduced budget to support other higher education initiatives.)

---

Item 148 #2s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Institute of Marine Science

\$880,000

\$0

GF

**Language:**

Page 230, line 26, strike "\$32,716,726" and insert "\$33,596,726".

**Explanation:**

(This amendment provides \$880,000 GF the first year to study the cumulative impacts of surface water intakes on aquatic fauna and water quality in the Chesapeake Bay and its major Virginia tributaries. Funds shall not revert and shall remain available for the next fiscal year.)

---

Item 151 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

George Mason University

\$0

\$4,560,000

GF

**Language:**

Page 233, line 1, strike "\$832,000,881" and insert "\$836,560,881".

**Explanation:**

(This amendment provides \$4.6 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 152 #1s

*Amendments to SB 800 (as Introduced)*

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
George Mason University	\$0	\$1,984,000	GF

**Language:**

Page 234, line 47, strike "\$123,262,124" and insert "\$125,246,124".

**Explanation:**

(This amendment provides \$1,984,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 155 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
James Madison University	\$0	\$2,380,000	GF

**Language:**

Page 236, line 19, strike "\$422,492,335" and insert "\$424,872,335".

**Explanation:**

(This amendment provides \$2.4 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 156 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
James Madison University	\$0	\$968,000	GF

**Language:**

Page 237, line 33, strike "\$37,051,466" and insert "\$38,019,466".

**Explanation:**

(This amendment provides \$968,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 159 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Longwood University	\$0	\$990,000	GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 238, line 39, strike "\$96,676,027" and insert "\$97,666,027".

**Explanation:**

(This amendment provides \$1.0 million GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

	Item 160 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Longwood University	\$0	\$351,000 GF

**Language:**

Page 239, line 34, strike "\$12,718,568" and insert "\$13,069,568".

**Explanation:**

(This amendment provides \$351,000 GF the second year to support undergraduate need-based financial aid.)

---

	Item 163 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Norfolk State University	\$10,000,000	\$1,090,000 GF

**Language:**

Page 240, line 32, strike "\$144,350,199" and insert "\$154,350,199".

Page 240, line 32, strike "\$144,350,199" and insert "\$145,440,199".

**Explanation:**

(This amendment provides \$10.0 million GF the first year to provide continuing support of the innovative partnerships between the public and private Historically Black Colleges and Universities and \$1.1 million GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

	Item 164 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Norfolk State University	\$0	\$737,000 GF

**Language:**

Page 242, line 37, strike "\$39,833,271" and insert "\$40,570,271".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$737,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 167 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Old Dominion University

\$0

\$3,770,000 GF

**Language:**

Page 243, line 50, strike "\$386,519,897" and insert "\$390,289,897".

**Explanation:**

(This amendment provides \$3.8 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 168 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Old Dominion University

\$0

\$2,135,000 GF

**Language:**

Page 245, line 45, strike "\$69,350,997" and insert "\$71,485,997".

**Explanation:**

(This amendment provides \$2,135,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 169 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Old Dominion University

(\$5,000,000)

\$0 GF

**Language:**

Page 246, line 10, strike "\$31,223,883" and insert "\$26,223,883".

**Explanation:**

(This amendment redirects \$5.0 million the first year included in the introduced budget to support other higher education initiatives.)

*Amendments to SB 800 (as Introduced)*

---

Item 172 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Radford University

\$0

\$1,390,000

GF

**Language:**

Page 249, line 9, strike "\$182,341,578" and insert "\$183,731,578".

**Explanation:**

(This amendment provides \$1.4 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 173 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Radford University

\$0

\$609,000

GF

**Language:**

Page 250, line 21, strike "\$31,622,983" and insert "\$32,231,983".

**Explanation:**

(This amendment provides \$609,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 176 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

University of Mary Washington

\$0

\$990,000

GF

**Language:**

Page 251, line 12, strike "\$104,389,010" and insert "\$105,379,010".

**Explanation:**

(This amendment provides \$1.0 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 177 #1s

*Amendments to SB 800 (as Introduced)*

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
University of Mary Washington	\$0	\$234,000	GF

**Language:**

Page 252, line 24, strike "\$17,330,602" and insert "\$17,564,602".

**Explanation:**

(This amendment provides \$234,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 183 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
University of Virginia	\$0	\$3,360,000	GF

**Language:**

Page 253, line 46, strike "\$1,416,844,750" and insert "\$1,420,204,750".

**Explanation:**

(This amendment provides \$3.4 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 184 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
University of Virginia	\$0	\$312,000	GF

**Language:**

Page 256, line 19, strike "\$167,940,896" and insert "\$168,252,896".

**Explanation:**

(This amendment provides \$312,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 190 #1s

<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
University of Virginia's College at Wise	\$0	\$400,000	GF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 259, line 3, strike "\$46,753,570" and insert "\$47,153,570".

**Explanation:**

(This amendment provides \$400,000 GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

		Item 191 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
University of Virginia's College at Wise	\$0	\$141,000	GF

**Language:**

Page 259, line 42, strike "\$6,339,175" and insert "\$6,480,175".

**Explanation:**

(This amendment provides \$141,000 GF the second year to support undergraduate need-based financial aid.)

---

		Item 194 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Commonwealth University	\$0	\$4,460,000	GF

**Language:**

Page 260, line 50, strike "\$757,096,233" and insert "\$761,556,233".

**Explanation:**

(This amendment provides \$4.5 million GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

		Item 195 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Commonwealth University	\$0	\$2,115,000	GF

**Language:**

Page 264, line 3, strike "\$137,770,495" and insert "\$139,885,495".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$2,115,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 196 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Commonwealth University

(\$4,000,000)

\$0 GF

**Language:**

Page 264, line 24, strike "\$360,394,910" and insert "\$356,394,910".

Page 264, line 38, strike "\$26,500,000" and insert "\$22,500,000".

Page 264, line 42, after "research" delete the remaining line.

Page 264, line 43, delete.

**Explanation:**

(This amendment redirects \$4.0 million GF the first year included in the introduced budget to support cancer research to support other higher education initiatives.)

---

Item 200 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Community College System

\$0

\$3,970,000 GF

**Language:**

Page 266, line 16, strike "\$1,080,055,383" and insert "\$1,084,025,383".

**Explanation:**

(This amendment provides \$4.0 million GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

Item 201 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Community College System

\$0

(\$15,000,000) GF

**Language:**

Page 269, line 37, strike "\$182,100,971" and insert "\$167,100,971".

*Amendments to SB 800 (as Introduced)*

Page 275, delete lines 4-45.

Page 275, after line 45, insert:

"F. The State Council of Higher Education for Virginia (SCHEV) and the Virginia Community College System (VCCS), in consultation with staff from the Department of Planning and Budget, the Senate Committee on Finance and Appropriations, and the House Committee on Appropriations, shall provide a report on dual enrollment courses as they apply to § 22.1-237.1 through § 22.1-237, Code of Virginia, through the College and Career Ready Virginia (CCRV) Program. The report shall include: (i) the amounts and sources of revenues and expenses to provide dual enrollment courses, (ii) a proposed methodology for calculating the costs to deliver dual enrollment, (iii) initiatives to increase the number of dual enrollment teachers across the state based on student demand, and (iv) assistance to colleges and school divisions that may be needed to maximize courses offered. The report shall provide an implementation plan and proposed recommendations to meet the requirements of CCRV and be submitted to the Chairs of the Senate Committees on Education and Health and Finance and Appropriations and the House Committees on Appropriations and Education by October 1, 2025."

**Explanation:**

(This amendment redirects \$15.0 million GF the second year included in the introduced budget to support other higher education initiatives and requires the State Council of Higher Education for Virginia and the Virginia Community College System to provide a report on dual enrollment. A subsequent amendment under Item 4-14 delays the enactment of CCRV until fall 2026.)

---

	Item 201 #2s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Community College System	\$0	\$2,836,000 GF

**Language:**

Page 269, line 37, strike "\$182,100,971" and insert "\$184,936,971".

**Explanation:**

(This amendment provides \$2,836,000 GF the second year to support undergraduate need-based financial aid.)

---

	Item 206 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Military Institute	\$0	\$500,000 GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 278, line 40, strike "\$58,406,536" and insert "\$58,906,536".

**Explanation:**

(This amendment provides \$500,000 GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

	Item 207 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Military Institute	\$0	\$65,000 GF

**Language:**

Page 280, line 4, strike "\$6,230,388" and insert "\$6,295,388".

**Explanation:**

(This amendment provides \$65,000 GF the second year to support undergraduate need-based financial aid.)

---

	Item 211 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Polytechnic Institute and State University	\$0	\$3,570,000 GF

**Language:**

Page 281, line 7, strike "\$1,059,268,911" and insert "\$1,062,838,911".

**Explanation:**

(This amendment provides \$3.6 million GF the second year in operational support to help mitigate costs and invest in programs with identified workforce shortages.)

---

	Item 212 #1s	
<b>Education: Higher Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Polytechnic Institute and State University	\$0	\$1,337,000 GF

**Language:**

Page 283, line 3, strike "\$63,597,615" and insert "\$64,934,615".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$1,337,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 217 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia State University

\$10,000,000

\$1,090,000 GF

**Language:**

Page 286, line 21, strike "\$122,276,343" and insert "\$132,276,343".

Page 286, line 21, strike "\$122,276,343" and insert "\$123,366,343".

**Explanation:**

(This amendment provides \$10.0 million GF the first year to provide continuing support of the innovative partnerships between the public and private Historically Black Colleges and Universities and \$1.1 million GF the second year in operational support to help mitigate inflationary costs and invest in programs with identified workforce shortages.)

---

Item 218 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia State University

\$0

\$628,000 GF

**Language:**

Page 288, line 10, strike "\$33,516,878" and insert "\$34,144,878".

**Explanation:**

(This amendment provides \$628,000 GF the second year to support undergraduate need-based financial aid.)

---

Item 227 #1s

**Education: Other**

**FY24-25**

**FY25-26**

The Library Of Virginia

\$0

\$632,142 GF

**Language:**

Page 292, line 30, strike "\$26,797,584" and insert "\$27,429,726".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$632,142 GF the second year to support state aid to local libraries.)

---

Item 229 #1s

<b>Education: Other</b>	<b>FY24-25</b>	<b>FY25-26</b>	
The Science Museum of Virginia	\$0	\$150,000	GF
	0.00	2.00	FTE

**Language:**

Page 293, line 24, strike "\$12,299,708" and insert "\$12,449,708".

**Explanation:**

(This amendment provides \$150,000 GF each fiscal year to support up to 2.0 positions to support education and security at the the Science Museum of Virginia.)

---

Item 231 #1s

<b>Education: Other</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Commission for the Arts	\$500,000	\$0	GF

**Language:**

Page 294, line 25, strike "\$6,180,398" and insert "\$6,680,398".

**Explanation:**

(This amendment provides \$500,000 GF the first year to increase investments in the arts through grants provided to arts organizations and businesses of the arts sector, including theatres, studios, museums, and additional venues.)

---

Item 231 #2s

<b>Education: Other</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Virginia Commission for the Arts	\$250,000	\$0	GF

**Language:**

Page 294, line 25, strike "\$6,180,398" and insert "\$6,430,398".

Page 294, after line 41, insert:

"E. Out of this appropriation, \$250,000 the first year from the general fund is provided to the City of Richmond to support the Virginia Repertory Theatre."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$250,000 GF the first year to support the Virginia Repertory Theatre.)

---

Item 234 #1s

**Education: Higher Education**

New College Institute

Language

**Language:**

Page 296, delete lines 38-39.

**Explanation:**

(This amendment removes language included in the introduced budget that states that no funding shall be included for the continued operations of New College Institute beginning July 1, 2026.)

---

Item 238 #1s

**Education: Higher Education**

**FY24-25**

**FY25-26**

Southwest Virginia Higher Education  
Center

(\$200,000)

(\$200,000) GF

**Language:**

Page 298, line 43, strike "\$5,799,447" and insert "\$5,599,447".

Page 298, line 43, strike "\$5,799,447" and insert "\$5,599,447".

**Explanation:**

(This amendment redirects \$200,000 GF each year provided for a regional health simulation lab to support other higher education initiatives.)

---

Item 240.10 #1s

**Education: Higher Education**

Maintain Affordable Access

Language

**Language:**

Page 299, delete lines 45-48.

Page 300, delete lines 1-11.

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment removes language included in the introduced budget that required institutions to freeze tuition in the second year and to limit tuition increases thereafter by no more than the lower of 2.5 percent or inflation.)

		Item 244 #1s	
<b>Finance</b>		<b>FY24-25</b>	<b>FY25-26</b>
Department of Accounts		\$0 0.00	(\$130,609) GF -1.00 FTE

**Language:**

Page 303, line 41, strike "\$11,924,553" and insert "\$11,793,944".

**Explanation:**

(This amendment removes \$130,609 GF and 1.0 new position the second year that was added in the introduced budget. This position was for a small purchase charge card analyst.)

		Item 246 #1s	
Department of Accounts			Language

**Language:**

Page 306, line 15, after "funding", insert:

", to fund a Business Intelligence application, and to fully upgrade Cardinal with the latest functional updates. The Department of Accounts shall implement a business intelligence solution for the Cardinal system by no later than January 1, 2026."

**Explanation:**

(This amendment directs the Department of Accounts to proceed with functional updates to the state's Cardinal accounting system to restore a business intelligence capability to the system.)

		Item 247 #1s	
<b>Finance</b>		<b>FY24-25</b>	<b>FY25-26</b>
Department of Accounts		\$0 0.00	(\$441,016) GF -3.00 FTE

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 306, line 18, strike "\$3,064,161" and insert "\$2,623,145".

**Explanation:**

(This amendment removes \$441,016 GF and 3.0 new positions the second year that were added in the introduced budget. The three positions include an executive assistant, staff assistant director, and one accounting staff.)

---

	Item 255 #1s	
<b>Finance</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Accounts Transfer Payments	(\$125,220,000)	\$0 GF

**Language:**

Page 308, line 41, strike "\$2,053,000,000" and insert "\$1,927,780,000".

Page 308, line 40, strike "Personal Property".

Page 308, after line 44, insert: "Working Virginians Tax Relief (74602).....\$977,780,000 \$0".

Page 309, after line 51, insert:

"F. 1. There is hereby established in the state treasury and on the books of the State Comptroller a special nonreverting fund known as the Working Virginians Income Tax Rebate Fund. Interest earned on moneys in the Fund shall be credited to the general fund.

2. Out of this appropriation, \$977,780,000 the first year from the general fund shall be deposited into the Working Virginians Income Tax Rebate Fund. Moneys in the Fund shall be used solely for the purpose of providing the tax rebate authorized in subparagraph 3 below.

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, 2024, but before January 1, 2025, an individual filing a return on or before November 3, 2025 or married persons filing a joint return on or before November 3, 2025 shall be issued a refund in an amount up to \$200 for an individual, or \$400 for married persons filing a joint return. An individual shall only be allowed a refund pursuant to this enactment 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 enactment 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 enactment 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, 2025, refunds due pursuant to this enactment shall be issued on or before October 15, 2025. In no case shall any interest be paid on any refund due pursuant to this enactment."

Page 309, strike lines 52 through 57.

Page 310, strike lines 1 through 3.

**Explanation:**

(This amendment provides \$977.8 million GF in the first year to effectuate an income tax rebate of \$200 for single filers and \$400 for married filers to be paid during fiscal year 2026. A companion amendment in Part 4 extends the expiration date on the standard deduction, refundable earned income tax credit, and the pass-through entity elective tax through January 1, 2027. The Part 4 amendment further increases the standard deduction for tax year 2025 and 2026 to \$8,750 for single filers and \$17,500 for joint filers, a \$250 and \$500 increase respectively, and increasing the refundability of the earned income tax credit from 15.0 to 20.0 percent of the federal earned income tax credit. The \$125.2 million reduction in this amendment is redirected for the revenue impacts for the tax policy actions in Part 4.)

---

Item 257 #1s

**Finance**

Department of Taxation

Language

**Language:**

Page 312, after line 16, insert:

"E. The Department of Taxation shall assess implementing market-based sourcing for sales in the corporate income apportionment formula. The Department shall assess the administrative feasibility, the impact on major classifications of corporations operating in Virginia, the impact on corporate expansion within and into Virginia, and the projected impact on Virginia' tax revenue as a result of adopting market-based sourcing. The Department shall present recommendations to the Joint Subcommittee on Tax Policy for evaluation of the fiscal implications and incorporate any feedback from the Joint Subcommittee prior to the submission of the final report. The Department may establish a work group of stakeholders with the Secretary of Finance and the Chairs of the House Finance, House Appropriations, and Senate Finance and Appropriations Committees participating in selecting its members. The Department shall submit a report with recommendations by November 15, 2025 to the House Finance, House Appropriations, and Senate Finance and Appropriations Committees."

**Explanation:**

(This amendment directs the Department of Taxation to study corporate income tax in Virginia, focusing on market-based sourcing for sales. The study will focus on the impacts to Virginia's economy and general fund revenue with the Joint Subcommittee on Tax Policy evaluating any potential fiscal implications. A final report with recommendations is to be submitted by November 15, 2025, to the Money Committees.)

---

Item 257 #2s

**Finance**

Department of Taxation

Language

**Language:**

Page 312, after line 16, insert:

"E. The Department of Taxation shall convene a work group composed of tax practitioners experienced in the preparation of corporate tax returns involving net operating losses, including members recommended by the Taxation Section of the Virginia Bar Association and the Virginia Society of Certified Public Accountants. The work group shall study the treatment of net operating losses in Virginia when compared to other states and shall make recommendations to simplify such treatment in Virginia. The work group shall consider at a minimum: (i) transition rules to the proposed simplified method of determining net operating losses; (ii) the effective date of any such transition; and (iii) what legislative, regulatory, or guideline amendments would be necessary to best effectuate such transition. The work group shall complete its meetings by October 1, 2025, and the Department shall submit a report of the work group's findings and recommendations to the Chairmen of the Senate Finance and Appropriations, House Finance, and House Appropriations Committee by November 1, 2025."

**Explanation:**

(This amendment directs the Department of Taxation to convene a workgroup to study Virginia’s treatment of net operating losses (“NOLs”) for corporate tax returns compared to other states and make recommendations.)

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Item 258 #1s

**Finance**

**FY24-25**

**FY25-26**

Department of Taxation

\$763,000

\$0 GF

**Language:**

Page 312, line 17, strike "\$70,323,247" and insert "\$71,086,247".

**Explanation:**

(This amendment provides \$763,000 GF the first year for the administrative costs at the Department of Taxation to provide tax relief for working Virginians by issuing rebate checks of direct deposit.)

---

Item 258 #2s

**Finance**

*Amendments to SB 800 (as Introduced)*

Department of Taxation

Language

**Language:**

Page 317, line 3, after "Session.", insert:

"The State Comptroller shall transfer the first year and second year amounts in this paragraph to the Virginia Alcoholic Beverage Control Authority no later than June 1, 2025. These funds are to support the estimated costs for the Authority to implement Senate Bill 1060 from the 2025 Session."

**Explanation:**

(This amendment directs the Comptroller to transfer amounts at the Department of Taxation from the Electronic Nicotine Delivery System Fund to fund startup costs at the Alcoholic Beverage Control Authority for enforcement of Senate Bill 1060.)

---

Item 260 #1s

**Finance**

Department of Taxation

Language

**Language:**

Page 318, strike lines 12 through 16, and insert:

"E. Out of this appropriation, \$131,000,000 the first year from the general fund is provided for costs associated with the replacement of the Department of Taxation's (TAX) Integrated Revenue Management System (IRMS). This appropriation is contingent on the department including in its contract with the selected vendor an electronic filing system for individual income tax that can be used by all Virginians. The Director, Department of Planning and Budget shall unallot this appropriation until such time that TAX demonstrates in its final contractual terms for the replacement of IRMS that it contains a provision for an electronic filing system for individual income tax that can be used by all Virginians. 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 TAX for each fiscal year. Any amounts remaining from the general fund appropriation identified in this paragraph that remain unspent at the end of any fiscal year shall be reappropriated in the next fiscal year until the project is completed. The Department shall report by September 1, of each year to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the current status of the IRMS replacement, the funding expended in the prior fiscal year, project milestones achieved in the prior fiscal year, and any potential concerns that may impact the project's timeline and success."

**Explanation:**

(This amendment modifies the language regarding the replacement of the Department of Taxation's Integrated Revenue Management System to ensure that the new system will include

*Amendments to SB 800 (as Introduced)*

an electronic filing option for individual income tax that can be used by all Virginians. It also contains an annual report to provided updated on the project.)

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Item 261 #1s

<b>Finance</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of the Treasury	\$1,300,000	\$0 GF

**Language:**

Page 318, line 31, strike "\$68,012,631" and insert "\$69,312,631".

**Explanation:**

(This amendment provides \$1.3 million GF the first year for the administrative costs at the Department of the Treasury to provide tax relief for Working Virginians by issuing rebate checks of direct deposit.)

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Item 262 #1s

<b>Finance</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of the Treasury	\$215,000	\$600,000 NGF

**Language:**

Page 319, line 36, strike "\$16,063,613" and insert "\$16,278,613".

Page 319, line 37, strike "\$15,818,648" and insert "\$16,418,648".

**Explanation:**

(This amendment provides \$215,000 NGF the first year and \$600,000 NG the second year for the fiscal impact of Senate Bill 996, which authorizes the State Treasurer or his designee to make payments relating to unclaimed property without receiving a claim if the property is cash property, the apparent owner is a natural person and the sole owner of such property, the apparent owner has been identified by the State Treasurer or his designee, and the amount to be paid does not exceed \$5,000.)

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Item 264 #1s

<b>Finance</b>	<b>Language</b>
Treasury Board	

**Language:**

Page 323, after line 13, insert:

*Amendments to SB 800 (as Introduced)*

"3.a. Funding is included in this Item for the Commonwealth's reimbursement of a portion of the approved capital costs as determined by the State Board of Local and Regional Jails and other interest costs as provided in §§ 53.1-80 through 53.1-82.2, Code of Virginia, for the following:

<b>Project</b>	<b>P r e l i m i n a r i l y A p p r o v e d C a p i t a l C o s t s</b>
Chesapeake Correctional Center	\$437,603
Chesterfield County Jail - Resubmittal	\$340,320
Montgomery County Jail	\$221,051
New River Valley Regional Jail	\$144,022
New River Valley Regional Jail - Resubmittal	\$321,176
Norfolk City Jail	\$843,243
Piedmont Regional Jail	\$411,855
Pittsylvania County Jail	\$15,003,187
Portsmouth City Jail	\$18,462,132
Prince William-Manassas Regional ADC	\$541,250
<b>Total</b>	<b>\$36,725,839</b>

b.i. The Commonwealth's share of the total construction cost of the projects listed in the table in paragraph C.3.a. shall not exceed the amount listed for each project. Reimbursement of the Commonwealth's portion of construction costs for projects with a total cost less than \$12,000,000 shall be subject to the approval of the Department of Corrections of the final expenditures.

ii. Reimbursement of the Commonwealth's portion of the construction costs for projects with a total project cost equal to or exceeding \$12,000,000 shall first undergo a cost and design review by the Department of General Services (DGS) in accordance with Item 385 of this act. The cost target set by DGS shall include all capital project costs as defined in § 53.1-82.2, which does not include furniture, fixtures, and equipment and does not include acquisition of a building for which the Commonwealth has already paid its share for capital costs. Upon completion of the cost review, DGS shall inform the Department of Planning and Budget, Department of Corrections, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committee of the outcome of its review, upon which the maximum of the state's reimbursement share be set as the lesser of the cost review target set by DGS, or the amount set forth in the above table. Reimbursement of the Commonwealth's portion of the construction costs of these projects shall be subject to the approval of the Department of Corrections.

c. Notwithstanding any other approval provisions in 53.1-80, Code of Virginia, these projects

*Amendments to SB 800 (as Introduced)*

are hereby authorized for reimbursement in accordance with the provisions of C.3.a. and b. of this item.

d. This paragraph shall constitute the authority for the Virginia Public Building Authority to issue bonds for the foregoing projects pursuant to § 2.2-2261, Code of Virginia."

**Explanation:**

(This language amendment adds 10 local and regional jail projects as eligible to receive reimbursement for the state's share of 25.0 percent as established by §§ 53.1-80 through 53.1-82.2, Code of Virginia. These projects are eligible to receive up to the amounts listed as preliminarily approved capital costs, which represent the state's maximum share. Such amounts are subject to Department of Corrections approval and, for those projects with a total cost exceeding \$12.0 million, to a cost review performed by the Department of General Services. Reimbursement of these amounts would be supported by Virginia Public Bond Authority bonds.)

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Item 264 #2s

**Finance**

Treasury Board

Language

**Language:**

Pages 324 to 325: restore nongeneral fund amounts in FY 2025 and FY 2026 to amounts authorized in Chapter 2, 2024 Acts of Assembly, Special Session I.

**Explanation:**

(This amendment is technical and restores the nongeneral fund amounts in the table that sets-out amounts for debt service payments of Virginia College Building Authority (VCBA) bonds to the amounts authorized in the current Appropriation Act, Chapter 2, 2024 Acts of Assembly, Special Session I. This amendment is technical in nature as the nongeneral fund amounts have historically remained the same for a single biennium. Specific language changes will be set out during enrolling.)

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Item 267 #1s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Secretary of Health and Human Resources

(\$100,000)

\$0 GF

**Language:**

Page 328, line 4, strike "\$1,564,759" and insert "\$1,464,759".

Page 329, strike lines 30 through 42.

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment redirects \$100,000 GF the first year for the Office of the Secretary of Health and Human Resources to develop a plan to enhance the collegiate experience for individuals with developmental disabilities. )

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Item 267 #2s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Secretary of Health and Human Resources	(\$500,000)	\$0 GF

**Language:**

Page 328, line 4, strike "\$1,564,759" and insert "\$1,064,759".  
Page 329, strike lines 43 through 45.

**Explanation:**

(This amendment redirects \$500,000 GF the first year for a media campaign to raise awareness of potentially life-threatening warning signs during and after a woman's pregnancy and redirects the funding to support other maternal health initiatives.)

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Item 268 #1s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Children's Services Act	\$0	(\$9,892,854) GF

**Language:**

Page 330, line 2, strike "\$503,650,250" and insert "\$493,757,396".

**Explanation:**

(This amendment reflects the savings from the 2.5 percent limit on the growth rate in state reimbursement to localities for private day special education services in the second year. The introduced budget included the language imposing the limit, but did not reflect any savings in the Children's Services Act budget. This one-time action redirects the savings to fund special education services in public schools to help support these kids in the most least restrictive environment.)

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Item 271 #1s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>

*Amendments to SB 800 (as Introduced)*

Department of Health \$0 (\$450,000) GF

**Language:**

Page 336, line 16, strike "\$20,457,021" and insert "\$20,007,021".  
Page 338, strike lines 21-24.

**Explanation:**

(This amendment redirects \$450,000 GF the second year provided in the introduced budget to establish the Large Animal Veterinary Loan Repayment Program. \$450,000 GF the first year is provided for the Department of Agriculture and Consumer Services to administer the Large Animal Veterinary Grant Program.)

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Item 271 #2s

**Health and Human Resources**

Department of Health Language

**Language:**

Page 337, after line 55, insert:

"4. Of the appropriation in paragraph F.1., \$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 department 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."

**Explanation:**

(This amendment allows \$300,000 GF each year of existing nursing scholarship funds to be used for school nurse scholarships to address the lack of access to Registered Nurses (RNs) in schools. The scholarship would help school-employed License Practical Nurses to become RNs and keep working as a school nurse who would then be able to provide a higher level of care and treatment after receiving additional training and education.)

Item 272 #1s

**Health and Human Resources**

Department of Health

Language

**Language:**

Page 339, after line 12, insert:

"D1.1. Notwithstanding any other provision of law, the Board of Health shall not modify the geographic or designated service areas of designated regional emergency medical services councils without consulting relevant stakeholders, including existing regional councils, the Director of the Office of Emergency Medical Services, Emergency Medical Services personnel, community leaders, and any other public, private, and volunteer agency relevant to the decision.

2. Prior to making any change to the boundaries of existing regional emergency medical services councils, the Board of Health shall notify the existing councils of the changes it seeks to make.

3. The Board of Health shall report annually by September 1 to the General Assembly on (i) the status of existing regional emergency medical services councils; (ii) any changes it plans on making to regional council boundaries; and (iii) the actions it has taken to gather all stakeholder input before implementing any changes."

**Explanation:**

(This amendment provides language directing the Board of Health to consult with all relevant stakeholders when deciding to modify the number of regional emergency medical services councils.)

---

Item 272 #2s

**Health and Human Resources**

Department of Health

Language

**Language:**

Page 338, strike lines 45-56.

Page 339, strike line 1.

Page 339, after line 1, insert:

"3. Beginning July 1, 2025, the Office of Emergency Medical Services shall transfer \$1,400,000 annually from the Trauma Center Fund, before any other payments are made, to Chesterfield

*Amendments to SB 800 (as Introduced)*

County for use in funding the paramedics assigned to the Department of State Police for aviation (med-flight) operations, and for related med-flight expenses."

**Explanation:**

(This amendment provides dedicated funding to Chesterfield County for med-flight operations.)

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Item 272 #3s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Health

\$1,250,000

\$0 GF

**Language:**

Page 338, line 25, strike "\$51,079,420" and insert "\$52,329,420".

Page 339, after line 51, insert:

"I. Out of this appropriation, \$1,250,000 the first year from the general fund shall be provided to Greenville County to improve emergency response time for the Liberty Road community. Any unexpended balances in this paragraph at the close of business on June 30, 2025, shall not revert to the general fund but shall be carried forward and reappropriated to fiscal year 2026."

**Explanation:**

(This amendment provides \$1.3 million GF the first year to Greenville County to improve emergency response times for the Liberty Road community.)

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Item 277 #1s

**Health and Human Resources**

Department of Health

Language

**Language:**

Page 344, line 47, after "to", insert "the Virginia Department of Health to contract with the Virginia Neonatal Perinatal Collaborative to develop a".

Page 344, line 48, strike "Department of Health", and insert "Neonatal Perinatal Collaborative".

Page 344, line 51, strike "Department of Health", and insert "Neonatal Perinatal Collaborative".

Page 345, line 1, strike "(iv) an evaluation of".

Page 345, strike line 2, and insert:

"(iv) an established partnership with the Virginia Neonatal Perinatal Collaborative, (v) a required physical presence in the region in which a hub will be located, (vi) a contractual collaboration with a regional birthing hospital and/or obstetrical clinic to pregnant and postpartum families in the region which the hub is located, (vii) partnerships and/or contracts with Medicaid managed care organizations for the purpose of sharing data and collaboration,

*Amendments to SB 800 (as Introduced)*

(viii) the use of evidence based quality standards as defined by the Virginia Neonatal Perinatal Collaborative and the Health Resources Services Administration, (ix) an evaluation of program impact on populations served, and (x) a plan for future sustainability."

Page 345, line 3, strike "Department of Health", and insert "Neonatal Perinatal Collaborative".

Page 345, line 9, strike "2025", and insert "2026".

**Explanation:**

(This amendment updates language from the introduced budget on pilot perinatal health hub programs throughout the Commonwealth. The proposed language change directs the Virginia Neonatal Perinatal Collaborative to be the lead on the pilot programs instead of the Virginia Department of Health. The proposed language also adds requirements for potential pilot hub locations.)

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	Item 277 #2s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$2,500,000 GF

**Language:**

Page 343, line 43, strike "\$169,601,819" and insert "\$172,101,819".

Page 345, after line 14, insert:

"J. Out of this appropriation, \$2,500,000 the second year from the general fund shall be provided to the Virginia Department of Health, in consultation with Virginia universities and private businesses, to create a pilot program for mobile clinics within maternal health deserts in Virginia, as well as for funding toward data collection to measure the effectiveness of the program."

**Explanation:**

(This amendment provides \$2.5 million GF the second year to the Virginia Department of Health, working with Virginia universities and private businesses, to create a pilot program for mobile clinics within maternal health deserts in Virginia, as well as for funding toward data collection to measure the effectiveness of the program. The goal of the program is to improve access in underserved communities and reduce transportation and geographic barriers.)

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	Item 277 #3s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$553,200 GF

**Language:**

Page 343, line 43, strike "\$169,601,819" and insert "\$170,155,019".

*Amendments to SB 800 (as Introduced)*

Page 345, after line 14, insert:

"J.1. Out of this appropriation, \$553,200 the second year from the general fund shall be provided to the Department of Health, in collaboration with the Department of Behavioral Health and Developmental Services, to develop and implement a statewide public awareness campaign on perinatal and postpartum depression to increase awareness about perinatal and postpartum depression and to highlight the importance of seeking early treatment for and reducing the stigma associated with perinatal and postpartum depression.

2. The Department shall create and distribute education materials on perinatal and postpartum depression including: (i) fact sheets on symptoms, causes, and available treatment options; (ii) contact information for local, state, and national resources, including crisis hotlines, counseling services, and support groups; (iii) guidance for health care providers on screening, diagnosing, and managing perinatal and postpartum depression; and (iv) information on the impact of untreated perinatal and postpartum depression on maternal and infant health outcomes.

3. The Department shall develop and maintain an online resource hub that provides information on perinatal and postpartum depression, a directory of mental health providers specializing in perinatal and postpartum care, and information on other perinatal and postpartum depression support services for individual and families.

4. The Department shall report annually by November 1 to the Chairs of the Senate Committee on Education and Health and the House Committee on Health and Human Services on: (i) metrics on public engagement of these programs; (ii) feedback from health care providers, community organizations, and individuals served by these programs; (iii) progress in reducing stigma and increasing early detection and treatment of perinatal and postpartum depression; and (iv) recommendations for improving or expanding these programs. The Department shall publish the annual report on its website. The Department shall submit its first report no later than November 1, 2026."

**Explanation:**

(This amendment provides \$553,200 GF the second year for the Department of Health (VDH) to establish a public awareness campaign, develop and distribute educational materials, and create an online resource hub focused on perinatal and postpartum depression. Language requires VDH to submit an annual report to the Chairs of the Senate Committee on Education and Health and the House Committee on Health and Human Services on the implementation of the programs, with the first annual report due by November 1, 2026.)

*Amendments to SB 800 (as Introduced)*

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$159,600 GF

**Language:**

Page 343, line 43, strike "\$169,601,819" and insert "\$169,761,419".

**Explanation:**

(This amendment provides \$159,600 the second year to fund the fiscal impact of Senate Bill 1393, which directs the Virginia Department of Health (VDH) to partner with a pregnancy mobile application to promote awareness of state government infant health programs and information, available to prenatal, pregnant, and postpartum individuals who are eligible for Medicaid. The bill requires VDH to submit a request for proposal within 180 days of the bill's effective date and requires such request for proposal to include provisions on deliverables for development of the mobile application.)

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Item 277 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$425,000 GF

**Language:**

Page 343, line 43, strike "\$169,601,819" and insert "\$170,026,819".

**Explanation:**

(This amendment provides \$425,000 GF the second year to fund the fiscal impact of Senate Bill 1186, which prohibits any person from obtaining or operating a donor human milk bank without first obtaining a license from the Department of Health. The bill directs the Department to establish criteria for the licensure of donor human milk banks and to promulgate regulation by July 1, 2026, that prohibit activities of donor human milk banks that do not meet the licensing standards and requirements.)

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Item 277 #6s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$66,654 GF

**Language:**

Page 343, line 43, strike "\$169,601,819" and insert "\$169,668,473".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$66,654 GF the second year to fund the fiscal impact of Senate Bill 1101 to establish the Advisory Council on Breakthrough Therapies for Veteran Suicide Prevention, to advise the State Health Commissioner on the regulations and infrastructure necessary to support clinical access to and training for medication-assisted U.S. Food and Drug Administration breakthrough therapies for veteran suicide prevention.)

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Item 278 #1s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Health

\$0

(\$1,000,000) GF

**Language:**

Page 345, line 16, strike "\$331,778,122" and insert "\$330,778,122".

Page 348, line 26, strike "\$4,200,000" and insert "\$3,200,000".

Page 348, line 28, strike "and doulas".

Page 348, line 29, strike "and doulas".

**Explanation:**

(This amendment removes language and redirects \$1.0 million GF the second year provided in the introduced budget for community health workers and doulas at local health districts. During the 2024 session, \$3.2 million GF each year was provided to support community health workers in local health districts. The introduced budget proposed adding \$1.0 million GF the second year and making existing funding available for doulas, as well as community health workers.)

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Item 278 #2s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Health

\$90,000

\$0 GF

**Language:**

Page 345, line 15, strike "\$333,295,343" and insert "\$333,385,343".

**Explanation:**

(This amendment provides \$90,000 GF the first year to fund the fiscal impact of Senate Bill 981, which directs the Department of Health (the Department) to evaluate the status of certified community health workers in the Commonwealth and submit a report on its findings to the Chairs of the Senate Committee on Finance and Appropriations and the House Committee on Appropriations and the Director of the Department of Planning and Budget. Such report will include information on the number of certified community health workers employed by the Department and local health departments; the types of services provided by certified community

*Amendments to SB 800 (as Introduced)*

health workers as well as performance and outcome measures for such services; the need for additional certified community health workers to meet demands for services provided by the Department and local health departments; any nonstate resources used to fund certified community health workers; and descriptions of contracts entered into by localities to provide community health services. Such report will be submitted by November 1, 2025.)

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		Item 279 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Health	\$0	\$500,000	GF

**Language:**

Page 348, line 35, strike "\$31,479,983" and insert "\$31,979,983".

Page 350, line 15, strike the second "\$6,800,000", and insert "\$7,300,000".

**Explanation:**

(This amendment provides \$500,000 GF the second year to increase the appropriation to the Virginia Association of Free and Charitable Clinics to support free clinic operating costs for services provided to uninsured clients.)

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		Item 279 #2s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Health	\$0	\$500,000	GF

**Language:**

Page 348, line 35, strike "\$31,479,983" and insert "\$31,979,983".

Page 349, after line 56, insert:

"4. Out of this appropriation, \$500,000 the second year from the general fund shall be provided to contract with the Virginia Community Healthcare Association (VHCA). The contract with VHCA shall require that the association use additional funding to enable Federally Qualified Health Centers to continue providing comprehensive medical, dental, maternal, and mental health services to the most vulnerable and uninsured Virginians, primarily in rural and urban settings."

**Explanation:**

(This amendment provides \$500,000 GF the second year to the Virginia Community Healthcare Association (VCHA). VCHA plans to use the additional funding to enable Federally Qualified Health Centers to continue providing comprehensive medical, dental, maternal, and mental health services to the most vulnerable and uninsured Virginians, primarily in rural and urban settings.)

*Amendments to SB 800 (as Introduced)*

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Item 279 #3s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Health

\$450,000

\$0 GF

**Language:**

Page 348, line 35, strike "\$37,479,983" and insert "\$37,929,983".

Page 353, after line 32, insert:

"DD. Out of this appropriation, \$450,000 the first year from the general fund shall be provided to contract with the Free Clinic of Central Virginia in Lynchburg. The contract with the Free Clinic of Central Virginia shall require that the clinic establish an emergency dental location and provide comprehensive dental treatment. Any unexpended balances in this paragraph at the close of business on June 30, 2025, shall not revert to the general fund but shall be carried forward and reappropriated in fiscal year 2026."

**Explanation:**

(This amendment provides \$450,000 GF the first year to contract with the Free Clinic of Central Virginia to allow them to restore operations and continue providing dental care to the community following a fire at their existing location. The one-time funding will be allocated to staffing the dental clinic for 12 months, equipment and supplies, Virginia Commonwealth University dental students' housing, and the E.C. Glass High School externship program.)

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Item 279 #4s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Health

\$0

(\$1,025,000) GF

**Language:**

Page 348, line 35, strike "\$31,479,983" and insert "\$30,454,983".

Page 351, line 39, strike the second "\$1,272,313" and insert "\$247,313".

Page 351, line 44, strike "and \$1,025,000 the second year".

**Explanation:**

(This amendment redirects \$1.0 million GF in funding for the Virginia All Payer Claims Database to the Department of Medical Assistance Services.)

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Item 279 #5s

**Health and Human Resources**

*Amendments to SB 800 (as Introduced)*

Department of Health

Language

**Language:**

Page 351, after line 55, insert:

"4. Out of this appropriation from the amounts in paragraph M.1., second year funding shall be used to expand data collection to include outpatient data, as funding is available. Virginia Health Information shall report to the Virginia Department of Health on additional funding needed to expand outpatient data collection."

**Explanation:**

(This amendment directs existing appropriation to be used for expanding data collection to include outpatient data. Language requires Virginia Health Information to inform the Virginia Department of Health of additional funding needed to expand outpatient data collection.)

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	Item 280 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$25,000,000	\$0 GF

**Language:**

Page 353, line 33, strike "\$139,436,004" and insert "\$164,436,004".

Page 354, after line 29, insert:

"I.1. Out of this appropriation, \$25,000,000 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 develop guidelines establishing: (i) criteria for grant eligibility; (ii) conditions to be included in the grants; and (iii) grant distribution priorities. Among the factors that shall be included in criteria for grant eligibility and in the grant distribution priorities shall be the financial condition of the locality wherein a grant is sought and a locality's effort to access additional funding for the proposed drinking water infrastructure project from other sources. Localities must be able to provide evidence of critical drinking water needs, such as occurrences of boil advisories, systems failures, or evidence of contaminants, such as polyfloroalkyl substances (PFAS) and gross alpha reactivity, in the drinking water.

2. To receive a grant, localities must provide proof of at least a 25.0 percent match for the cost of a project. No grant to a locality shall fully fund a drinking water project.

3. The Department shall report to the Chairs of the Senate Finance and Appropriations Committee and House Finance and Appropriations Committees on the number of applications received for grants, the total grants and grant amounts awarded, the localities to which grants

*Amendments to SB 800 (as Introduced)*

will be awarded, and the description of drinking water infrastructure projects for which the grants will be used no later than December 1, 2025.

4. The Department shall give priority consideration for grants to Greene County and the Town of Bowling Green, as both localities have demonstrated outstanding critical drinking water needs.

5. Any unexpended balances in paragraph I.1. at the close of business on June 30, 2025, shall not revert to the general fund but shall be carried forward and reappropriated to fiscal year 2026."

**Explanation:**

(This amendment provides \$25.0 million GF the first year for the Virginia Department of Health to provide grants to localities for drinking water projects.)

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	Item 283 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health	\$0	\$300,000 GF

**Language:**

Page 355, line 13, strike "\$36,139,586" and insert "\$36,439,586".

Page 356, after line 49, insert:

"I. The Virginia Department of Health (VDH) shall report on progress made on implementing the recommendations based on the Department of Planning and Budget's evaluation of VDH's grant management practices to improve its grants management capabilities to the Joint Subcommittee on Health and Human Resources Oversight no later than September 1, 2025.

J. VDH shall (i) identify the causes for problems related to late payments and funding underutilization for VDH-administered nursing incentive programs, (ii) develop and implement a plan to address the causes, and (iii) report to the Joint Subcommittee on Health and Human Resources Oversight on its progress in addressing identified problems, including the percentage of payments made within 30 days and the proportion of available funding that VDH has utilized.

*Amendments to SB 800 (as Introduced)*

K. The State Health Commissioner shall provide semi-annual written and in-person reports on the agency's progress implementing the recommendations from the Joint Legislative and Audit Review Commission to the Joint Subcommittee on Health and Human Resources Oversight through at least December 2026 and each year thereafter, until the Joint Subcommittee is satisfied with the implementation of the recommendations.

L. Out of this appropriation, \$300,000 the second year from the general fund shall be provided to the Virginia Department of Health to hire at least two full-time positions with the Office of Internal Audit."

**Explanation:**

(This amendment provides \$300,000 GF the second year for the Virginia Department of Health (VDH) to implement recommendations from the Joint Legislative and Audit Review Commission (JLARC). Language would require VDH to report on its progress implementing recommendation made by the Department of Planning and Budget, the causes of issues with VDH-administered nursing incentive programs, and its progress on implementing recommendations made by JLARC. Funding is provided for VDH to hire 2.0 positions in the Office of Internal Audit.)

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	Item 285 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Health Professions	\$600,000	\$400,000 NGF

**Language:**

Page 357, line 14, strike "\$49,901,385" and insert "\$50,501,385".

Page 357, line 15, strike "\$50,476,385" and insert "\$50,876,385".

Page 357, after line 43, insert:

"D. Out of this appropriation, \$600,000 the first year and \$400,000 the second year from the Commonwealth Opioid Abatement and Remediation opioid settlement funds shall be provided to the Department of Health Professions for systems changes to the Prescription Monitoring Program to report patient level data on patients who overdose on opioids. These funds shall remain unallotted until the cost estimates for such systems changes are reviewed and approved by the Director, Department of Planning and Budget."

**Explanation:**

(This amendment provides \$600,000 the first year and \$400,000 the second year from the Commonwealth Opioid Abatement and Remediation opioid settlement funds to the Department of Health Professions for systems changes to the Prescription Monitoring Program.)

**Health and Human Resources**

Department of Health Professions

Language

**Language:**

Page 357, after line 43, insert:

"D.1. By June 30, 2026, the Department of Health Professions (DHP) shall provide the Virginia Health Care Foundation (VHCF) a useable electronic file (CSV, Excel spreadsheet) with record-level, de-identified data collected via the most recent license renewal period for each individual licensed behavioral health (BH) professional practicing in Virginia as a psychiatrist, child and adolescent psychiatrist, psychiatric-mental health nurse practitioner, psychiatric physician assistant, licensed clinical social worker, licensed professional counselor, licensed clinical psychologist and, if available, licensed marriage and family therapist.

2. The following specific data fields shall be provided to VHCF for each licensee: unique record identifier; birthyear; race and ethnicity, gender; practice site information (each locality of practice, number of hours worked/week at each site, hours/week worked virtually at each Virginia work site); forms of payment accepted (with ability to identify the proportion of each type of BH profession accepting only cash, and the proportion of each type of BH profession accepting only Medicaid as a payment source, as well as Medicaid in combination with each other payer source option available to licensees – e.g., Medicaid + Medicare, Medicaid + Medicare + Private Insurance); plans to reduce clinical hours in next two years; and anticipated time to retirement.

3. DHP shall also provide VHCF a code book, data definitions and/or user guides in an electronic format (Word, Excel, PDF) so it can clearly understand the data elements and their structure (alphanumeric, multiple responses – to include all possible options a licensee may select, open/free response). This code book shall also include record length and record count; known data quality issues and related documentation regarding resolution and, to the extent possible, impact on the data set and/or data functionality; and changes to policy and/or administrative practices that may have impacted the data set and implementation date.

4. VHCF shall protect the confidentiality and security of record-level data provided by the DHP and interim or working documents and/or data files consistent with state and federal law."

**Explanation:**

(This amendment sets out a process for data sharing of workforce information at the Department of Health Professions to the Virginia Health Care Foundation.)

**Health and Human Resources**

**Language:**

Page 357, after line 52, insert:

"A.1. The Department of Medical Assistance Services (DMAS) as part of its mission shall ensure that vulnerable Virginians have access to quality health care services by operating a fiscally responsible and sustainable program.

2. The department shall take all necessary measures to ensure strong financial oversight and accountability to ensure the cost-effective use of all appropriated funding. The department shall not implement any policy or programmatic change to the Medicaid or children's health insurance programs without first performing a thorough assessment of potential costs to the Commonwealth. Any policy or programmatic change with a fiscal impact shall not be implemented unless specifically authorized by the General Assembly through a general appropriation act or statutory requirement.

3. The department shall implement internal procedures to ensure that appropriate agency finance staff are performing continuous and detailed monitoring of medical assistance programs. Monitoring shall include, but not be limited to, fee-for-service claims and spending as well as managed care encounter data and spending. Further, DMAS shall put processes in place to ensure prompt notification to agency leadership and finance staff when any unexplained trends, anomalies, or discrepancies are detected.

4. The department shall ensure agency staff review capitation rates for the Commonwealth's Medicaid managed care programs as necessary to determine if the rates are cost-effective and in the best interest of the Commonwealth.

5. By October 15 of each year, DMAS shall include on its website a listing of Medicaid and children's health insurance program policy changes authorized by the General Assembly in the prior fiscal year. The listing shall include a description of the policy change, the authority for the change, and the estimated fiscal impact. The department shall track annual expenditures for any identified policy change for three fiscal years.

6. DMAS shall report by September 15, 2025, on the internal processes it has developed and implemented to comply with paragraphs A.1. through A.5. in this Item, to the Governor, Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.

B.1. The Department of Medical Assistance Services (DMAS) shall maintain a list of all programmatic and policy changes to the Medicaid and children's health insurance programs in a prominent location on the agency's website. Programmatic and policy changes shall include, but not be limited to, state plan amendments, amendments to federal waivers, federal waiver renewals, regulatory changes, guidance document changes, provider manual changes, provider memos, managed care contract changes, technical assistance manual changes, or any other communication of official policy proposed by DMAS. The list shall include a brief description of the change, the authority for the change, and an assessment of potential costs.

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2. At least 30 days prior to the implementation of any change as identified in A.1. that may have a cost for which the agency does not have specific authorization from the General Assembly to implement, DMAS shall provide notification to the Director, Department of Planning and Budget, and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations.

C. DMAS shall prepare a monthly budget variance report at the service level detail on the Medicaid and children's health insurance programs with an explanation of any variance between expenditures and budget. Such report shall be submitted to the Governor and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations by the twentieth day of each month.

D. DMAS shall review fee for service claims and managed care encounter data on a monthly basis to determine unexplained trends that may have a significant and unplanned fiscal impact and report such trends to the Governor, the Director of the Department of Planning and Budget, and the Chairs and Staff Directors of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations.

E. DMAS shall monitor the Medicaid and children's health insurance programs to ensure cost-effectiveness and control the increase of the cost of the Medicaid program in the delivery of health care services and develop strategies to achieve such cost-effectiveness and report on such strategies to the Governor and the General Assembly on an annual basis, by no later than September 1 of each year."

**Explanation:**

(This amendment specifies requirements for the Department of Medical Assistance Services to develop internal financial processes to ensure appropriate oversight of the Medicaid program.)

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Item 288 #1s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0	(\$30,411,804)	GF
	\$0	(\$6,957,850)	NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,230,912,220".

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services (DMAS) is authorized to reimburse

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at the outpatient all-inclusive rate for services provided to Medicaid-eligible American Indians and Alaska Natives (AI/AN) through facilities operated by the Indian Health Service (IHS) or through Tribal Health Clinics, provided such payments are eligible for reimbursement at a federal medical assistance percentage (FMAP) of 100 percent. Any services provided to nontribal members through IHS or Tribal Health Clinics facilities that are ineligible for reimbursement at a 100 percent FMAP shall be reimbursed at standard Medicaid rates (the rates otherwise paid to non-tribal clinics for the same services) and not at the outpatient all-inclusive rate. DMAS is authorized to seek all necessary federal authority through state plan or waiver amendments submitted to the Centers for Medicare and Medicaid Services under Titles XIX and XXI of the Social Security Act to implement the provisions of this paragraph. The department shall implement this reimbursement change effective upon passage of this Act, and prior to the completion of any regulatory process."

**Explanation:**

(This amendment clarifies Medicaid reimbursement policies related to payment for services provided to tribal and non-tribal members through Tribal Health Clinics.)

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Item 288 #2s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 368, line 31, strike "12", insert "16".

Page 368, line 33, after "department", insert:

"and shall include one physician or pharmacist from each contracted managed care organization"

Page 369, after line 37, insert:

"9. The Department of Medical Assistance Services (DMAS) shall develop and implement internal processes within the agency to have the appropriate staff review each recommendation of the Pharmacy and Therapeutics Committee to determine any potential fiscal impact to the Medicaid program. No later than 30 days after each meeting of the Pharmacy and Therapeutics Committee, DMAS shall submit a report that details the findings of any fiscal impact for each recommendation made by the Committee, to the Director, Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to develop and implement internal processes to determine the fiscal impact of any recommendation made by the Pharmacy and Therapeutics Committee. In addition, it requires that the Pharmacy and

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Therapeutics Committee include as part of its membership one physician or pharmacist from each contracted managed care organization.)

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Item 288 #3s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance	\$0	\$257,910	GF
Services	\$0	\$312,564	NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,268,852,348".

Page 393, after line 55, insert:

"OOOOO. Effective July 1, 2025, the Department of Medical Assistance Services shall revise its regulations, in consultation with the Department of Health Professions, to characterize Multi-Systemic Family (MST) as a “collaborative behavioral health service,” as defined in the Code of Virginia, to allow Qualified Mental Health Professionals to deliver the MST service under the supervision of a licensed person and align Virginia's workforce requirements with the national MST model."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to revise the regulations for the Multi-Systemic Family (MST) service to help address the shortage of practitioners and increase access for those youth and families who might otherwise face family disruption and/or out-of-home placement of the youth.)

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Item 288 #4s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance	\$0	\$3,522,726	NGF
Services			

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,271,804,600".

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services is authorized to pay the state share of supplemental payments for dentists employed by or contracted with Virginia Commonwealth University as provided in the State Plan for Medical Assistance Services. The total supplemental payment shall be based on the average commercial rate as approved by the Centers for Medicare and Medicaid Services (CMS) and all other Medicaid payments subject to such limit made to such dentists. The Department of Medical Assistance Services shall enter into a transfer agreement with Virginia Commonwealth University for such supplemental

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payments, under which the University shall provide the state share in order to match federal Medicaid funds for the supplemental payments. The department shall have the authority to implement these reimbursement changes consistent with the effective date in the State Plan amendment approved by CMS and prior to completion of any regulatory process in order to effect such changes."

**Explanation:**

(This amendment provides \$3.5 million NGF the second year and includes language for the Department of Medical Assistance Services to pay the state share of supplemental payments for dentists employed by or contracted with Virginia Commonwealth University as provided in the State Plan for Medical Assistance Services.)

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Item 288 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0	\$550,322	GF
	\$0	\$782,108	NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,269,614,304".

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services shall ensure the reimbursement for a service provided by a licensed certified midwife or licensed midwife shall be in the same amount as the Medicaid reimbursement paid a licensed physician or certified nurse midwife, whichever is higher, for performing such service in the area served."

**Explanation:**

(This amendment provides \$550,322 GF and \$782,108 from NGF the second year to fund the fiscal impact of legislation to reimburse all licensed midwives at the same rate at 100.0 percent of the physician fee schedule for covered services.)

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Item 288 #6s

**Health and Human Resources**

Department of Medical Assistance Services Language

**Language:**

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services (DMAS) shall apply for an 1115 waiver from the Centers for Medicare and Medicaid Services to include outpatient behavioral health services, mental health services, addiction and recovery treatment, and prescription drugs

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to treat behavioral health related conditions of incarcerated individuals in state and local regional jails. DMAS shall not implement any aspect of this proposed 1115 waiver without direct authorization by the General Assembly. DMAS shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on this waiver request, including the fiscal impact of such changes, by January 1, 2026."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services (DMAS) to apply for an 1115 waiver to include outpatient behavioral health services, mental health services, addiction and recovery treatment, and prescription drugs to treat behavioral health related conditions. The intent of this waiver is to request federal Medicaid matching dollars to provide the subject services to incarcerated individuals in state and local regional jails. DMAS is directed to report to the money committees on this waiver request by January 1, 2026.)

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Item 288 #7s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 362, after line 42, insert:

"3. Prior to the disenrollment of individuals eligible for Medicaid pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the PPACA due to a reduction in federal medical assistance, the Joint Subcommittee for Health and Human Resources Oversight shall meet and begin immediate consideration of the financial impact to the Commonwealth from the loss of federal assistance and the resulting impact on Medicaid enrollment. The Joint Subcommittee shall make recommendations, within 30 days from the initial notice of federal action, to the General Assembly on the fiscal impact related to the loss of federal funds and on options for preserving health care access to Medicaid."

**Explanation:**

(This amendment directs the Joint Subcommittee for Health and Human Resources Oversight to meet and begin immediate consideration of the financial impact to the Commonwealth from the loss of federal assistance for the Medicaid Expansion population and the resulting impact on Medicaid enrollment and coverage losses.)

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Item 288 #8s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Medical Assistance  
Services

\$0  
\$0

\$4,960 GF  
\$12,228 NGF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,268,299,062".

Page 386, line 52, strike "8", insert "10".

Page 386, line 53, after "delivery", insert "; however, the number of post-partum visits allowed shall be at least six for a period of up to 12-months post-partum".

**Explanation:**

(This amendment provides \$4,960 GF and \$12,228 NGF the second year to expand the Medicaid benefit for post-partum doula visits, increasing from four to six visits and extending the timeline allowable to 12 months as required by pending legislation to be considered in the 2025 Session.)

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Item 288 #9s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, after line 55, insert:

"OOOOO. The Pharmacy and Therapeutics Committee, when recommending drugs to the Department of Medical Assistance Services, shall ensure that no nonopioid drug approved by the Food and Drug Administration 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 requires that the Pharmacy and Therapeutics Committee, when recommending drugs to the Department of Medical Assistance Services, shall ensure that no nonopioid drug approved by the Food and Drug Administration 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.)

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Item 288 #10s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 378, line 58, strike "\$100,000", insert "\$165,000".

*Amendments to SB 800 (as Introduced)*

Page 379, line 5, strike "\$50,000" and insert "\$82,500".

Page 379, line 8, after "payments.", insert "The Department shall amend regulations to reflect any changes to the supplemental payments for qualifying residency slots."

**Explanation:**

(This amendment increases the funding for Medicaid graduate medical education residency slots from \$100,000 up to \$165,000 in order to recruit and retain physicians in comparison to other states. It also allows the Virginia Health Workforce Development Authority to distribute additional funds allocated in the biennial budget.)

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Item 288 #11s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0	(\$972,941)	GF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,267,308,933".

Page 393, strike lines 26 through 55, and insert:

"NNNNN. The Department of Medical Assistance Services shall convene a workgroup with staff designees from the Department of Planning and Budget and the House Appropriations and Senate Finance and Appropriations Committees to evaluate options for developing a process that recognizes the true costs of policy changes to the Medicaid program and how to integrate such process as part of the development of the state budget."

**Explanation:**

(This amendment eliminates the funding associated with the proposed Medicaid Reserve for Medicaid Initiatives in the introduced budget. The purpose of the initiative is attempting to address the issue that, when initially funded, the full cost of policy changes to the Medicaid program are not recognized and that a reserve based on the projected incremental cost of the fully implemented policy change ensures that the base appropriation for the Medicaid program, the largest budget driver in the state budget, would better reflect past actions and reduce the future budget need that otherwise would be reflected in future Medicaid forecasts. While this amendment does remove the initiative, it also creates a workgroup to further evaluate the concept.)

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Item 288 #12s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0	\$2,225,662	GF
	\$0	\$14,082,935	NGF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,284,590,471".

Page 393, after line 55, insert:

"OOOOO. Effective July 1, 2025, the Department of Medical Assistance services shall increase the rates by 12.5 percent for Office Based Addiction Treatment, Opioid Treatment Services, Partial Hospitalization Services, and Intensive Outpatient Services."

**Explanation:**

(This amendment provides \$2.2 million GF and \$14.1 million NGF to support a 12.5 percent rate increase for Substance Use Disorder services. These services are Office Based Addiction Treatment, Opioid Treatment Services, Partial Hospitalization Services, and Intensive Outpatient Services.)

---

Item 288 #13s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, line 23, after "illness", insert " or substance use disorder".

**Explanation:**

(This amendment ensures that in addition to the treatment of serious mental illness, long-acting injectables or extended release medications for the treatment of substance use disorder are also unbundled from the hospital daily rate in any hospital emergency department or hospital inpatient setting.)

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Item 288 #14s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Medical Assistance  
Services

\$0  
\$0

\$1,821,957 GF  
\$3,556,019 NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,273,659,850".

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services (DMAS) shall seek the appropriate federal authority to add neurobehavioral and neurorehabilitation facilities to support 25 individuals with traumatic brain injuries and neurocognitive disorders by no later than January 1, 2026. The neurobehavioral and neurorehabilitation facilities shall be considered as a

*Amendments to SB 800 (as Introduced)*

specialized institutional placement for individuals with a traumatic brain injury diagnosis. DMAS shall set service definitions, administrative structure, eligibility criteria, eligibility and enrollment processes, and reimbursement rates required for administration of a program for such facilities. DMAS shall have authority to promulgate emergency regulations for the neurobehavioral and neurorehabilitation facilities upon federal approval."

**Explanation:**

(This amendment provides \$1.8 million GF and \$3.6 million NGF the second year to provide coverage for inpatient and residential neurobehavioral treatment for individuals with traumatic brain injury through a brain injury waiver. The fiscal impact assumes a 25-bed facility at a cost of \$917.13 per day.)

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	Item 288 #15s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance	\$0	\$10,000,000	GF
Services	\$0	\$11,650,000	NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,289,931,874".

Page 393, after line 55, insert:

"OOOOO. Out of this appropriation, \$10,000,000 the second year from the general fund and \$11,650,000 the second year from nongeneral funds shall be provided to increase payments for nursing facilities, effective July 1, 2025, with the exception of nursing facilities that are cost-based. These payments shall be apportioned to each eligible nursing facility based on its Medicaid utilization as determined in the most recent nursing facility rebasing, with adjustments for additional payments included in the indirect nursing facility rate, not to exceed federal reimbursement limits. The department shall have authority to implement these changes upon federal approval and prior to the completion of any regulatory process."

**Explanation:**

(This amendment provides \$10.0 million GF and \$11.7 million NGF the second year to increase Medicaid rates for nursing facilities.)

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	Item 288 #16s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance	\$0	\$491,638	GF
Services	\$0	\$1,507,096	NGF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,270,280,608".

Page 393, after line 55, insert:

"OOOOO.1. Effective July 1, 2025, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to authorize coverage for a Continuous Glucose Monitor (CGM) and related supplies for the treatment of a Medicaid enrollee under the Medicaid medical and pharmacy benefit if the enrollee: (i) has been diagnosed with diabetes by his or her primary care physician, or another licensed health care practitioner authorized to make such a diagnosis; (ii) is being treated with insulin; and/or (iii) has a history of problematic hypoglycemia; (iv) the enrollee's treating practitioner has concluded that the enrollee (or enrollee's caregiver) has sufficient training using the CGM prescribed as evidenced by providing a prescription; and (v) the CGM is prescribed in accordance with the Food and Drug Administration indications for use.

2. Coverage shall include the cost of any necessary repairs or replacement parts for the continuous glucose monitor.

3. To qualify for continued coverage under this section, the Medicaid enrollee must participate in follow-up care with his or her treating health care practitioner, in-person or through telehealth at least once every six months during the first 18 months after the first prescription of the continuous glucose monitor for the recipient has been issued under this section, to assess the efficacy of using the monitor for treatment of diabetes. After the first 18 months, such follow-up care must occur at least once every 12 months."

**Explanation:**

(This amendment provides \$491,638 GF and \$1.5 million NGF the second year to fund Medicaid coverage for a Continuous Glucose Monitor (CGM) and related supplies for the treatment of a Medicaid enrollee under the Medicaid medical and pharmacy benefit.)

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Item 288 #17s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance	\$0	\$2,114,450	GF
Services	\$0	\$3,802,256	NGF

**Language:**

Page 359, line 42, strike "\$26,268,281,874" and insert "\$26,274,198,580".

**Explanation:**

(This amendment provides \$2.1 million GF and \$3.8 million NGF the second year to fund the fiscal impact of Senate Bill 758, which expands eligibility for remote patient monitoring to all pregnant and postpartum patients enrolled in Medicaid.)

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Item 288 #18s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, after line 55, insert:

"OOOOO.1. Effective, July 1, 2025, the Department of Medical Assistance Services is authorized to establish objective and measurable performance measures for acute care hospitals that are receiving private acute care hospital enhanced payments authorized in § 3-5.15 of this act. These measures shall assess whether the additional payments improve services for Medicaid members. Specifically, one of the requirements shall ensure access to care by Medicaid members by requiring that a hospital may not reduce its service offerings that would have an adverse impact on Medicaid members in the community being served by such hospital. In addition, continued participation in the acute bed registry is a requirement for applicable hospitals. DMAS is authorized to measure progress toward these performance measures on either an annual or quarterly basis. A hospital that does not achieve the specific performance measures established by DMAS shall lose eligibility for private acute care hospital enhanced payments for the relevant period as determined by DMAS. DMAS shall determine whether the eligibility for the payments are linked to meeting the performance measures quarterly or annually.

2. DMAS shall have the authority to seek necessary federal approval for state plan amendments and changes to the preprint to the Centers for Medicare and Medicaid Services to effectuate the provisions of paragraph OOOOO.1."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to establish objective and measurable performance measures for acute care hospitals that are receiving private acute care hospital enhanced payments. These measures shall assess whether the additional payments improve services for Medicaid members.)

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Item 288 #19s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 366, after line 36, insert:

"7. Effective for the July 1, 2024, through June 30, 2025, contract year, the Department of Medical Assistance Services shall amend its contracts with managed care organizations (MCOs) to suspend the requirements for the Performance Withhold Program and the Clinical Efficiencies program such that the withhold amounts shall be fully paid to the MCO's for this

period, however any data reporting required under these programs shall be submitted in accordance with contractual requirements."

**Explanation:**

(This amendment provides that the amounts withheld from the managed care rates for the Performance Withhold Program and the Clinical Efficiencies program shall be fully paid in FY 2025 to the Medicaid managed care organizations (MCOs). This is a one year suspension to provide financial relief to the MCOs that are experiencing higher costs from increased acuity in the Medicaid population.)

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Item 288 #20s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, after line 55, insert:

"OOOOO.1. Notwithstanding § 32.1-325, Code of Virginia, the Department of Medicaid Assistance Services (DMAS) shall, by no later than July 1, 2026, select and contract with a single third-party administrator to serve as the state pharmacy benefits manager to administer all pharmacy benefits for Medicaid recipients, including those enrolled in a managed care organization with whom DMAS contracts for the delivery of Medicaid services. Each managed care contract entered into or renewed by DMAS for the delivery of Medicaid services by a managed care organization shall require the managed care organization to contract with and utilize the state pharmacy benefits manager for the purpose of administering all pharmacy benefits for Medicaid recipients enrolled with the managed care organization.

2. DMAS's contract with the state pharmacy benefits manager shall:

- a. Establish the state pharmacy benefits manager's fiduciary duty owed to DMAS;
- b. Require the use of pass-through pricing;
- c. Require the state pharmacy benefits manager to use the common formulary, reimbursement methodologies, and dispensing fees negotiated by DMAS;
- d. Require transparency in drug costs, rebates collected and paid, dispensing fees paid, administrative fees, and all other charges, fees, costs, and holdbacks; and
- e. Prohibit the use of spread pricing."

**Explanation:**

(This amendment requires the Department of Medical Assistance Services, by July 1, 2026, to select and contract with a third-party administrator to serve as the state pharmacy benefits manager to administer all pharmacy benefits for Medicaid recipients, including recipients enrolled in a managed care organization.)

Item 288 #21s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 392, line 36, after "hourly rate", insert: ", however, such reimbursement is limited to no more than six hours per day".

**Explanation:**

(This amendment clarifies that in the conversion from a daily rate to an hourly rate, the hourly rate for adult day care services is limited to no more than six hours per day.)

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Item 288 #22s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services shall review and consider the benefits of adding Center-Based Respite Service to the Community Living waiver and Family and Individuals Support waiver. The department shall have the authority to conduct a rate study to determine the appropriate rate for this new service and other parameters that must be considered in implementing such a service. By September 1, 2025, the department shall report its findings and recommendations to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, including the appropriate rates and potential costs, of adding Center-Based Respite Service to the waivers."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to review and consider the benefits of adding Center-Based Respite Service to the Community Living and Family and Individuals Support waivers.)

---

Item 288 #23s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services shall review fee-for-service claims and managed care encounter data to determine the total expenditures paid for Applied Behavior Analysis (ABA) and review recent trends. The department shall review policies and guidance related to ABA services to ensure they are aligned with current clinical practice. The department shall report on the the most recent expenditures, including for the last five fiscal years, and the number of individuals served and report that information to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 1, 2025."

**Explanation:**

(This amendment requires the Department of Medical Assistance Services to review recent trends in Applied Behavior Analysis expenditures and report back to the House Appropriation and Senate Finance and Appropriation Committees.)

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Item 288 #24s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 393, after line 55, insert:

"OOOOO. The Department of Medical Assistance Services shall review its current methodology for rehabilitation centers and develop options that would improve payment to those centers that take a higher percentage or have a higher volume of Medicaid patients compared to other centers. The department shall report, by October 1, 2025, on the options to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to review its current methodology for rehabilitation centers and develop options that would improve payment to those centers that take a higher percentage or have a higher volume of Medicaid patients compared to other centers.)

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Item 292 #1s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 400, line 4, strike "three" and insert "two".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment changes existing language to reflect funding provided to support Poison Control Centers through a Health Services Initiative to reflect that only two will be funded rather than three. This language reflects the closure of National Poison Center closing on March 31, 2025. The remaining two poison control centers will handle the calls for the center that is closing as all the calls for that center will be routed to the two remaining centers.)

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Item 292 #2s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0	\$1,025,000	GF
	\$0	\$3,075,000	NGF

**Language:**

Page 395, line 2, strike "\$352,158,338" and insert "\$356,258,338".  
Page 399, line 50, after "first year and", strike "\$87,500" and insert: "\$1,112,500".  
Page 399, line 51, after "first year and", strike "\$262,500" and insert: "\$3,337,500".

**Explanation:**

(This amendment transfers the \$1.0 million GF the second year from the Virginia Department of Health to consolidate all funding for the All-Payer Claims Database (APCD) into one agency. This transfer allows Virginia Health Information, the operator of the APCD, to draw down additional federal Medicaid matching funds.)

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Item 292 #3s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	(\$250,000)	\$0	GF
	(\$250,000)	\$0	NGF

**Language:**

Page 395, line 2, strike "\$322,845,151" and insert "\$322,345,151".  
Page 402, strike lines 16-22

**Explanation:**

(This amendment removes \$250,000 GF and \$250,000 NGF the first year included in the introduced budget for the Virginia Task Force for Primary Care.)

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Item 292 #4s

*Amendments to SB 800 (as Introduced)*

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	(\$865,000) (\$2,815,000)	\$0 \$0	GF NGF

**Language:**

Page 395, line 2, strike "\$322,845,151" and insert "\$319,165,151".

**Explanation:**

(This amendment redirects \$865,000 GF and \$2.8 million NGF the first year provided in the introduced budget.)

---

Item 292 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Medical Assistance Services	\$0 \$0	\$250,000 \$750,000	GF NGF

**Language:**

Page 395, line 2, strike "\$352,158,338" and insert "\$353,158,338".

**Explanation:**

(This amendment provides \$250,000 GF and \$750,000 NGF the second year for the associated impact of the provisions provided in Senate Bill 1186, which would require health insurers to provide coverage for expenses incurred in the provision of pasteurized donor human milk to infants younger than the age of six months that satisfies certain criteria enumerated in the bill. The bill also seeks to establish licensing requirements of donor human milk banks.)

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Item 292 #6s

**Health and Human Resources**

Department of Medical Assistance Services Language

**Language:**

Page 402, after line 29, insert:

"MM. The Department of Medical Assistance Services (DMAS) shall develop a plan for reimbursing community paramedicine services in Virginia. DMAS shall develop the plan in collaboration with the Office of Emergency Medical Services at the Department of Health, and in consultation with community paramedicine programs and other relevant stakeholders,

*Amendments to SB 800 (as Introduced)*

including hospital systems and health plans. Such plan shall include: (i) specific circumstances under which services would be covered; (ii) eligible patient populations; (iii) eligible providers; (iv) whether the plan would require an amendment to the state plan for medical assistance services or the modification of Medicaid managed care contracts; and (v) whether reimbursement through the plan would be on a flat fee basis or whether the plan would allow billing for individual services. The Department shall submit a report on the content of the plan to the Joint Commission on Health Care by October 1, 2025."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to develop a plan for reimbursing community paramedicine services in Virginia. This is a recommendation of the Joint Commission on Health Care.)

---

Item 292 #7s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. Out of this appropriation, \$206,889 the first year and \$3,094,795 the second year from the general fund and \$2,832,111 the first year and \$16,216,115 the second year from nongeneral funds shall be provided for the Department of Medical Assistance Services to contract with a vendor to implement identified solutions to assist in timely and accurate Medicaid eligibility determinations and redeterminations. Solutions may include additional data checks to verify financial eligibility, additional data matching capability, and a portal to receive and track coverage corrections for enrollment requests between the 120 local Departments of Social Services. Funding may be used to make enhancements to the Medicaid Management Information System and the Virginia Case Management System to implement the identified solutions. The Director of the Department of Planning and Budget shall unallot this appropriation until the Department of Medical Assistance Services provides documentation of the contract's cost and shall only allot the amount contracted for with such vendor."

**Explanation:**

(This amendment is a technical language change that sets the purpose of the appropriation provided in last year's adopted budget related to improving processes for timely and accurate Medicaid eligibility determinations and redeterminations.)

---

Item 292 #8s

**Health and Human Resources**

*Amendments to SB 800 (as Introduced)*

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. The Department of Medical Assistance Services (DMAS) shall make efforts to share training opportunities, including training on dementia care, to consumer-directed and agency-hired home care workers. Such training shall be provided virtually. DMAS shall consult with LeadingAge and other stakeholder groups in making such training available."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services (DMAS) to share training opportunities, including training on dementia care, to consumer-directed and agency-hired home care workers. This training would be virtual. DMAS must consult with LeadingAge and other stakeholder groups in identifying such training opportunities.)

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Item 292 #9s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. The Department of Medical Assistance Services shall not fund, participate in, or publish any study of medical assistance provider rates unless the General Assembly has provided specific authorization for such study. This provision shall not apply to routine rate work that is necessary to administer medical assistance programs under existing state and federal law.

NN. The Department of Medical Assistance Services is authorized to conduct a rate study of Developmental Disabilities Services. The services to be included in such rate study include: Benefits Planning, Community Coaching, Community Engagement, Community Guide, Employment and Community Transportation, Group Day Services, Group Home Residential, Group Supported Employment, Independent Living Supports, Individual and Family/Caregiver Training, In-Home Support Services, Peer Mentor Supports, Private Duty Nursing, Support Coordination / Case Management, Shared Living, Skilled Nursing, Sponsored Residential, Support Coordination / Targeted Case Management, Supported Living Residential, Therapeutic Consultation, Transition Services, Transportation, and Workplace Assistance. The department shall include stakeholders as part of the rate development process and consider their feedback in the process. The department shall submit a report with the recommended rates and associated fiscal impact to the Governor, the Director of the Department of Planning and Budget, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by October 1, 2025."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment clarifies that provider rate studies may only be conducted after specific authorization by the General Assembly. In addition, it authorizes a rate study of Developmental Disabilities Services.)

---

Item 292 #10s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. Effective upon enactment of this act, the Department of Medical Assistance Services, related to appeals administered by and for the department, shall have authority to amend regulations to require provider appeals to be filed only online through the department's appeal portal. Exceptions may be requested before a filing deadline by a provider for good cause for situations such as lack of internet access in rural areas or other extenuating circumstances explained by the filing provider. The department shall have authority to promulgate regulations to implement these changes within 280 days or less from the enactment date of this Act."

**Explanation:**

(This amendment provides authority for the Department of Medical Assistance Services to require provider appeals to be filed only online through the department's appeal portal).

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Item 292 #11s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. The Department of Medical Assistance Services shall make efforts to ensure that pregnant women that apply for Medicaid coverage utilize the Cover Virginia call center, to the maximum extent possible, in order to reduce the processing time of the application and expedite the applicant into coverage. The department shall collaborate with the Department of Social Services to ensure that local departments of social services have in place procedures and processes to connect pregnant women to the Cover Virginia call center to apply for coverage, unless such person is required to apply through a local department due to eligibility for other benefits programs."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment directs the Department of Medical Assistance Services to make efforts to ensure that pregnant women that apply for Medicaid coverage utilize the Cover Virginia call center, to the maximum extent possible, in order to reduce the processing time of the application and expedite the applicant into coverage.)

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Item 292 #12s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 402, after line 29, insert:

"MM. The Department of Medical Assistance Services, in collaboration with the Department of Social Services, shall develop cost estimates for the options proposed in the "Evaluation of Medicaid Eligibility Determination" report to the General Assembly in December 2024 and report back to the Governor, Department of Planning and Budget, and Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 15, 2025.

NN. The Department of Medical Assistance Services (DMAS) and the Department of Social Services (DSS) shall design and institutionalize a joint Steering Committee on Medicaid Eligibility. The Steering Committee shall: (i) document the areas in which DMAS and VDSS need to collaborate; (ii) develop and agree upon a charter for the committee that outlines the types of decision rights each agency has independently versus what the Steering Committee oversees, membership, meeting schedule, topics leadership needs routine visibility on, a process for escalating issues to the Steering Committee, process for the staff to brief the Steering Committee, and process for coordinating and briefing the Secretary of Health and Human Resources or other state leaders as needed; (iii) determine when special initiatives or task forces are required to ensure focused collaboration on key issues; (iv) have oversight over Medicaid eligibility improvement efforts; and (v) may establish a stakeholder advisory forum to inform improvement efforts."

**Explanation:**

(This amendment requires the Department of Medical Assistance Services (DMAS) to develop cost estimates for the options proposed in the "Evaluation of Medicaid Eligibility Determination" report. In addition, DMAS and the Department of Social Services are directed to establish a formal joint Steering Committee on Medicaid Eligibility.)

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Item 292 #13s

**Health and Human Resources**

Department of Medical Assistance Services

Language

**Language:**

Page 396, line 27, after "4.", strike the remainder of the line.

Page 396, strike lines 28 through 44, and insert:

"There is hereby established a Medicaid Financial Oversight Council to monitor Medicaid expenditures and enrollment growth to determine the program's financial status on a comprehensive and regular basis. The Council shall include: the Secretary of Finance or their designee, the Secretary of Health and Human Resources or their designee, the Director of the Department of Planning and Budget or their designee, the Director of the Department of Medical Assistance Services (DMAS), the staff director of the House Appropriations Committee or their designee, the staff director of the Senate Finance and Appropriations Committee or their designee, and the Director of the Joint Legislative Audit and Review Commission or their designee. The Secretary of Finance shall chair the Council, which shall be convened at least semi-annually with one meeting in August to review the prior fiscal year and one meeting in April to review year-to-date spending. Other meetings shall occur at the call of the Chair. At each meeting, DMAS shall report on expenditures (at the service level of detail) and enrollment in the Medicaid and children's health insurance programs to explain any material differences in expenditures compared to the official Medicaid forecast or children's health insurance programs forecasts, adjusted to reflect budget actions from each General Assembly Session. DMAS shall report on enrollment trends by eligibility category and indicate differences in actual enrollment as compared to the most recent forecast of enrollment. If expenditures are exceeding the budget for Medicaid or the children's health insurance programs, DMAS shall provide options to the Council to bring expenditures in line with available resources. DMAS shall provide an analysis at each meeting on spending and utilization trends within the the managed care programs that indicate higher growth than was anticipated in the capitation rates."

**Explanation:**

(This amendment reconstitutes an existing external financial review committee to formalize it as the Medicaid Financial Oversight Council to monitor Medicaid expenditures and enrollment growth to determine the program's financial status on a comprehensive and regular basis.)

---

Item 294 #1s

**Health and Human Resources**

Department of Behavioral Health and Developmental Services

Language

**Language:**

Page 404, after line 6, insert:

"4. The Department of Behavioral Health and Developmental Services may use the Behavioral Health and Developmental Services Trust Fund appropriation for community-based housing for

*Amendments to SB 800 (as Introduced)*

any population currently served by the department."

**Explanation:**

(This amendment allows the Department of Behavioral Health and Developmental Services (DBHDS) to use the Behavioral Health and Developmental Services Trust Fund appropriation for community-based housing for any population currently served by the department.)

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	Item 295 #1s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Behavioral Health and Developmental Services	\$0 0.00	\$115,846 1.00	GF FTE

**Language:**

Page 404, line 32, strike "\$167,136,531" and insert "\$167,252,377".

**Explanation:**

(This amendment provides \$115,846 GF the second year to support the workgroup, pursuant to Senate Bill 838, that requires the Secretary of Health and Human Resources to convene and to make recommendations regarding the creation of an oversight process of residential recovery homes and transparency in the credentialing process pursuant to the bill.)

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	Item 295 #2s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Behavioral Health and Developmental Services	\$0	\$1,100,000	GF

**Language:**

Page 404, line 32, strike "\$167,136,531" and insert "\$168,236,531".

Page 410, after line 52, insert:

"TT. Out of this appropriation, \$1,100,000 the second year from the general fund is provided for a contract with the Virginia Health Care Foundation for a pilot to remove barriers to the mental health workforce, including the payment of supervisory hours for those individuals seeking degrees in social work and counseling."

**Explanation:**

(This amendment provides \$1.1 million the second year from the general fund to increase funding to add 60 slots to the Virginia Health Care Foundation's successful Boost! Program. This pays for required supervision of clinical hours needed for Masters of Social Work (\$10,000) and Masters of Counseling (\$20,000) graduates to become licensed clinical

therapists.)

Item 295 #3s

**Health and Human Resources**

Department of Behavioral Health and Developmental Services

Language

**Language:**

Page 410, after line 52, insert:

"TT. By no later than January 1, 2026, the Department of Behavioral Health and Developmental Services (DBHDS) shall align and monitor the Commonwealth of Virginia's recovery support services, including services offered by recovery residences, and other similar providers, with the nationally recognized American Society of Addiction Medicine (ASAM) 4th Edition criteria to ensure quality and consistency in care. This criteria shall be made publicly available to all consumers and accessible on the DBHDS website."

**Explanation:**

(This amendment directs the Department of Behavioral Health and Developmental Services (DBHDS) to align and monitor the Commonwealth of Virginia's recovery support services, including services offered by recovery residences, and other similar providers, with the nationally recognized American Society of Addiction Medicine (ASAM) 4th Edition criteria to ensure quality and consistency in care by January 1, 2026. This criteria would be made publicly available to all consumers and accessible on the DBHDS website.)

Item 295 #4s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Behavioral Health and Developmental Services

\$0

\$25,000 GF

**Language:**

Page 404, line 32, strike "\$167,136,531" and insert "\$167,161,531".

Page 410, after line 52, insert:

"TT. Out of this appropriation, \$25,000 the second year from the general fund shall be distributed by the Department of Behavioral Health and Developmental Services Lock and Talk program, via Community Services Boards, to facilitate distribution of firearm safes to people who are unable to benefit from Virginia's tax credit for firearm safes due to limited financial resources."

**Explanation:**

(This amendment provides \$25,000 GF the second year to be distributed by the Department of

*Amendments to SB 800 (as Introduced)*

Behavioral Health and Developmental Services Lock and Talk program, via Community Services Boards, to facilitate distribution of firearms safes to people who are unable to benefit from Virginia's tax credit for firearm safes due to limited financial resources. This funding would allow 500 people in five regions to obtain a firearm safe.)

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Item 295 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Behavioral Health and Developmental Services	(\$211,692) (\$211,692)	\$0 GF \$0 NGF

**Language:**

Page 404, line 32, strike "\$162,365,802" and insert "\$161,942,418".

**Explanation:**

(This amendment removes \$211,692 GF and \$211,692 NGF in administrative funding provided in the introduced budget.)

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Item 295 #6s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Behavioral Health and Developmental Services	(\$1,000,000)	\$0 GF

**Language:**

Page 404, line 32, strike "\$162,365,802" and insert "\$161,365,802".  
Page 410, strike lines 50-52

**Explanation:**

(This amendment removes \$1.0 million GF the first year that was provided to fund an education and outreach campaign related to the impacts of social media, mental illness, and substance use on youth.)

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Item 295 #7s

<b>Health and Human Resources</b>	<b>Language</b>
Department of Behavioral Health and Developmental Services	

**Language:**

Page 410, after line 52, insert:

*Amendments to SB 800 (as Introduced)*

"TT. The Department of Behavioral Health and Developmental Services shall report annually, by September 1, on the expenditure of funding from the Problem Gambling Treatment Fund, including allocations to the Community Services Boards, and include a description of the purposes for which the funding is being used. The department shall evaluate best practices in treating program gambling that may include statewide initiatives to address the negative effects of problem gambling. The department shall report back any findings on best practices and potential statewide initiatives to the Chairs of the House Appropriations and the Senate Finance and Appropriations Committees by October 1, 2025."

**Explanation:**

(This amendment adds a reporting requirement for the Problem Gambling Treatment Fund and a review of best practices in addressing problem gambling.)

---

Item 296 #1s

**Health and Human Resources**

Department of Behavioral Health and Developmental Services

Language

**Language:**

Page 408, line 42, after "clinics", insert ", including mobile clinics,".

Page 408, line 44, after "schools", strike the remainder of the line.

Page 408, strike lines 45 through 46.

Page 408, line 47, strike "providers".

**Explanation:**

(This amendment ensures that funding appropriated for the school-based clinic grant program is used for such purpose and enables the use of mobile clinics in providing school-based care.)

---

Item 296 #2s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Behavioral Health and  
Developmental Services

\$0

\$1,000,000 GF

**Language:**

Page 410, line 55, strike "\$185,618,002" and insert "\$186,618,002".

Page 414, line 54, strike "\$1,534,100" and insert: "\$2,534,100".

**Explanation:**

(This amendment provides an additional \$1.0 million GF the second year from the general fund in addition to the \$1.5 million provided in the Governor's introduced budget to expand the

*Amendments to SB 800 (as Introduced)*

Adult Psychiatric Access Line program.)

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	Item 296 #3s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Behavioral Health and Developmental Services	\$0	\$686,000 GF

**Language:**

Page 410, line 55, strike "\$185,618,002" and insert "\$186,304,002".

Page 415, after line 1, insert:

"Z. Out of this appropriation, \$686,000 the second year from the general fund shall be provided for a Provider Development Incubator intended to stimulate workforce development and business expansion to grow provider capacity for individuals with disabilities receiving waiver services. Of this amount, \$125,000 shall be provided for grants to providers for startup costs, \$200,000 for a targeted direct support professional workforce development and recruitment campaign, \$50,000 for education development for individuals and families receiving services, \$75,000 for an interactive information packet for new waiver recipients to assist in navigating the service system, and \$236,000 for a project team and administrative costs to implement the program."

**Explanation:**

(This amendment adds \$686,000 GF the second year for a Provider Development Incubator intended to stimulate workforce development and business expansion to grow provider capacity for individuals with disabilities receiving waiver services. The amount is allocated such that \$125,000 is for grants to providers for startup costs, \$200,000 is for a targeted direct support professional workforce development and recruitment campaign, \$50,000 is for education development for individuals and families receiving services, \$75,000 is for an interactive information packet for new waiver recipients to assist in navigating the service system, and \$236,000 is for a project team and administrative costs to implement the program.)

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	Item 296 #4s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Behavioral Health and Developmental Services	\$0	\$186,000 GF

**Language:**

Page 410, line 55, strike "\$185,618,002" and insert "\$185,804,002".

Page 414, line 43, after "first year and", strike "\$250,000" and insert "\$436,000".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$186,000 GF the second year for Specially Adapted Resource Clubs (SPARC) to support the program's expansion into Loudoun County. This funding ensures the continued provision of SPARC's essential services, including recreational, educational, and social opportunities for adults with severe and multiple disabilities, as they expand to meet the needs of the Loudoun County community.)

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Item 296 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Behavioral Health and Developmental Services	\$0	(\$31,063,751)	GF

**Language:**

Page 410, line 55, strike "\$185,618,002" and insert "\$154,554,251".

Page 411, line 40, strike "\$49,737,458", insert "\$18,673,707".

Page 411, line 56, strike "\$41,152,858", and insert: "\$10,089,107".

Page 412, line 5, after "released." insert:

"The department shall prioritize this funding to fund contracts that provide coverage for all of Region Three and Region One and, to the extent that any funding is available after needs are met in Regions Three and One, the department may expand the program into Region Five."

**Explanation:**

(This amendment redirects \$31.1 million GF for the Special Conservators of the Peace program to other initiatives.)

---

Item 297 #1s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Grants to Localities	\$0	\$7,800,000	GF

**Language:**

Page 415, line 19, strike "\$787,892,721" and insert "\$795,692,721".

Page 420, line 17, strike "\$11,400,000", insert "\$19,200,000".

**Explanation:**

(This amendment provides \$7.8 million GF the second year to support the development and establishment of co-response programs between law enforcement officers and clinicians, especially in those localities that have not yet received funding to implement the Marcus Alert system or that are not required to implement such system due to their population size. This is a recommendation of the Behavioral Health Commission.)

**Health and Human Resources**

Grants to Localities

Language

**Language:**

Page 421, after line 23, insert:

"VV. The Department of Behavioral Health and Developmental Services shall: (i) revise discharge protocols to require state hospitals and Community Services Boards to explore whether Permanent Supportive Housing (PSH) is a suitable option for all patients by November 1, 2025; (ii) develop and implement a standardized assessment tool for state hospital staff to evaluate suitability for Permanent Supportive Housing as part of every discharge plan; (iii) develop a statewide training curriculum about the PSH program and how it can successfully be used to integrate individuals with serious mental illness in the community, and conduct training with all staff involved in discharge planning; and (iv) identify positions for which training on the PSH program is mandatory. The department shall report to the Behavioral Health Commission no later than December 1, 2025, and annually thereafter on the implementation status of these initiatives generally and specifically for each state facility, including: the number of staff trained; proportion of discharge plans during which the assessment tool was used; proportion of individuals assessed as suitable for PSH; proportion of individuals discharged directly to PSH; discharge placements for individuals assessed as suitable for PSH who were not discharged to PSH; barriers preventing individuals assessed as suitable for PSH from being discharged into the program; barriers to increasing the proportion of individuals assessed as suitable for PSH; and recommendations to address such barriers."

**Explanation:**

(This amendment directs Department of Behavioral Health and Developmental Services (DBHDS) to explore whether Permanent Supportive Housing (PSH) is a suitable discharge option by November 1, 2025. DBHDS shall develop and implement a standardized assessment tool to evaluate suitability for PSH as part of every discharge plan and develop a training curriculum about the PSH program. DBHDS shall report to the Behavioral Health Commission no later than December 1, 2025, and annually thereafter on the implementation status of these initiatives. This is a recommendation of the Behavioral Health Commission.)

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**Health and Human Resources**

Grants to Localities

Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 421 after line 23, insert:

"VV. It is the intent of the General Assembly that for any additional state funding provided to Community Services Boards (CSBs) or Behavioral Health Authorities (BHAs) that existing contributions from local governments shall not be supplanted by such additional state funding. The Commissioner, Department of the Behavioral Health and Developmental Services (DBHDS), shall ensure, by monitoring local contributions to CSBs and BHAs, that if local contributions are reduced subsequent to new funding being awarded or provided that such new funding shall thereafter be forfeited by the CSB or BHA by the amount of the reduced local contribution. The Commissioner may waive this requirement if the locality can prove extreme hardship. Notwithstanding § 37.2-509, Code of Virginia, DBHDS shall not grant a waiver for the operating expense requirement unless the locality can demonstrate hardship in terms of reduced employment, per capita income, or property values (excluding changes in land use taxation)."

**Explanation:**

(This amendment requires local governments to maintain local contributions to the community services board year to year, absent an extreme hardship, unless a state appropriation is intended to supplant local funding. In order to fall below the 10.0 percent match requirement, a locality must demonstrate hardship in terms of reduced employment, per capita income, or property values (outside of changes in land use taxation).)

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Item 301 #1s

**Health and Human Resources**

Mental Health Treatment Centers

Language

**Language:**

Page 422, after line 48, insert:

"H. The Department of Behavioral Health and Developmental Services (DBHDS) shall include, as part of the work of the state and community consensus and planning team formed pursuant to § 37.2-316, Code of Virginia, to develop a plan for the closure of Hiram W. Davis Medical Center, an analysis for the development of skilled nursing beds at Southeastern Virginia Training Center to care for the patients at Hiram W. Davis Medical Center or in other facilities operated by DBHDS in need of that level of care. DBHDS shall assess the potential number of skilled nursing beds that would be needed based on an assessment of patient needs at its facilities and shall also develop an estimate of skilled nursing beds that may be needed to address future needs. DBHDS shall solicit stakeholder input as part of its skilled nursing bed assessment. DBHDS shall report on the result of its assessment as part of the plan required pursuant to § 37.2-316, Code of Virginia."

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment requires the Department of Behavioral Health and Developmental Services to include, as part of the work of the state and community consensus and planning team developing a plan for the closure of Hiram W. Davis Medical Center, an analysis for the development of skilled nursing beds at Southeastern Virginia Training Center to care for the patients at Hiram W. Davis Medical Center or in other facilities operated by DBHDS in need of that level of care.)

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Item 302 #1s

**Health and Human Resources**

Mental Health Treatment Centers

Language

**Language:**

Page 423, after line 48, insert:

"K. The Department of Behavioral Health and Developmental Services shall: (i) identify a suitable building on the Central State Hospital (CSH) campus for storage of historical patient records for patients at CSH; (ii) the costs associated to renovate the identified building(s) to meet archival standards for humidity, light, heat, and air conditioning; and (iii) the costs for a repository for historical records from all mental health institutions in the Commonwealth."

**Explanation:**

(This amendment directs the Department of Behavioral Health and Developmental Services to: (i) identify a suitable building on the Central State Hospital (CSH) campus for storage of historical patient records for patients at CSH; (ii) the costs associated to renovate the identified building(s) to meet archival standards for humidity, light, heat, and air conditioning; and (iii) the costs for a repository for historical records from all mental health institutions in the Commonwealth.)

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Item 314 #1s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department for Aging and  
Rehabilitative Services

\$0

\$300,000 GF

**Language:**

Page 427, line 24, strike "\$116,760,793" and insert "\$117,060,793".

Page 429, line 9, after "first year and", strike "\$10,396,719" and insert "\$10,696,719".

**Explanation:**

(This amendment provides \$300,000 GF the second year for state-contracted brain injury providers, which continue to report high attrition and difficulty filling open positions because of

*Amendments to SB 800 (as Introduced)*

non-competitive salaries and benefits. This increase is needed in FY 2026 for workforce retention to ensure quality accessible services for people living with brain injuries. This funding would support current existing state contracted brain injury service providers.)

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Item 314 #2s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department for Aging and  
Rehabilitative Services

\$0

\$300,000 GF

**Language:**

Page 427, line 24, strike "\$116,760,793" and insert "\$117,060,793".

Page 428, line 48, strike "\$8,063,722", insert "\$8,363,722".

**Explanation:**

(This amendment provides \$300,000 GF the second year to provide independent living skills training, peer mentoring, information and referral, advocacy, and transition services to people with significant disabilities. Funds are needed to provide for increasing requests for these services and increases in the cost of doing business. Each of the 17 Centers for Independent Living would receive an increase of \$17,647.)

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Item 324 #1s

**Health and Human Resources**

Department of Social Services

Language

**Language:**

Page 437, after line 11, insert:

"K. The Department of Social Services shall develop a strategic plan that includes: (i) a review of best practices for providing treatment and services to trafficking victims; (ii) analysis of data gaps and recommendations for addressing them; (iii) recommendations to improve and establish additional long-term support services for trafficking victims; and (iv) training policies for mandatory reporters of suspected trafficking cases. The Department shall provide the plan to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2026."

**Explanation:**

(This amendment directs the Department of Social Services (DSS) to develop a plan that includes: (i) a review of best practices for providing treatment and services to trafficking victims; (ii) analysis of data gaps and recommendations for addressing them; (iii) recommendations to improve and establish additional long-term support services for trafficking

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victims; and (iv) training policies for mandatory reporters of suspected trafficking cases. DSS will provide the plan to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1, 2026.)

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Item 324 #2s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$479,665	GF

**Language:**

Page 435, line 29, strike "\$64,798,852" and insert "\$65,278,517".

**Explanation:**

(This amendment provides \$479,665 GF the second year to fund the fiscal impact of Senate Bill 773, which requires local departments of social services (LDSS) to develop housing plans for individuals leaving foster care due to age that includes a description of housing options being pursued. The bill requires the Commissioner of Social Services to provide reports to the Governor and General Assembly on housing services for individuals aging out of foster care on or before October 1 of each year. The bill provides the Department of Social Services with the authority to enter into a memorandum of understanding with local public housing authorities or housing programs to facilitate access to grant dollars for the Foster Youth to Independence Initiative under the Family Unification Program Housing Choice Vouchers.)

---

Item 325 #1s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	(\$440,000)	NGF

**Language:**

Page 437, line 14, strike "\$250,160,830" and insert "\$249,720,830".

**Explanation:**

(This amendment removes \$440,000 NGF the second year for the expansion of the Temporary Assistance for Need Families (TANF) Full Employment Program to be redirected to other initiatives.)

---

Item 329 #1s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$100,000	GF

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**Language:**

Page 442, line 34, strike "\$293,034,091" and insert "\$293,134,091".

Page 445, after line 40, insert:

"W. Out of this appropriation, \$100,000 the second year from the general fund shall be provided to expand the existing program to find relative and fictive kin for youth in foster care."

**Explanation:**

(This amendment provides \$100,000 GF the second year to the Department of Social Services to expand the existing program to find relative and fictive kin for youth in foster care. Current program eligibility is for youth aged 12 to 17 who are placed in congregate care or who have been in foster care for 12 months or more and are not placed with kinship foster parents. Additional funding will allow any child who is placed in foster care to be eligible for kinship finding.)

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Item 329 #2s

**Health and Human Resources**

Department of Social Services

Language

**Language:**

Page 445, after line 40, insert:

"W. The Department of Social Services, in consultation with stakeholders, shall develop a process for Virginia localities to enter into memorandums of understanding with localities in surrounding states for the purposes of kinship care."

**Explanation:**

(This amendment directs the Department of Social Services, in consultation with stakeholders, to develop a process for Virginia localities to enter into memorandums of understanding with localities in surrounding states for the purposes of kinship care.)

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Item 329 #3s

**Health and Human Resources**

Department of Social Services

Language

**Language:**

Page 445, after line 40, insert:

"W. The Department of Social Services shall assess the feasibility of requiring local departments to apply for benefits administered by the Social Security Administration or the

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Department of Veterans Affairs on behalf of eligible children in foster care and require local departments that are representative payees for children in foster care to conserve such federal benefits in an appropriate trust instrument. The Department shall report its findings to the Chairs of the House Appropriations, House Finance, and Senate Finance and Appropriations Committees by November 1, 2025."

**Explanation:**

(This amendment requires the Department of Social Services (DSS) to assess the feasibility of requiring local departments to apply for benefits administered by the Social Security Administration or the Department of Veterans Affairs on behalf of eligible children in foster care and require local departments that are representative payees for children in foster care to conserve such federal benefits in an appropriate trust instrument. DSS is required to report its findings to the Chairs of the House Appropriations, House Finance, and Senate Finance and Appropriations Committees by November 1, 2025.)

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	Item 331 #1s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$3,000,000	NGF

**Language:**

Page 446, line 17, strike "\$70,163,045" and insert "\$73,163,045".  
Page 447, line 37, strike the second "\$2,136,500", and insert "\$5,136,500".

**Explanation:**

(This amendment provides \$3.0 million NGF from the Temporary Assistance for Needy Families (TANF) block grant the second year to increase funding for child advocacy centers to provide a comprehensive, multidisciplinary team response to allegations of child abuse in a dedicated, child-friendly setting.)

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	Item 331 #2s		
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$4,275,000	NGF

**Language:**

Page 446, line 17, strike "\$70,163,045" and insert "\$74,438,045".  
Page 446, line 46, strike the second "\$9,250,000", and insert "\$13,525,000".

**Explanation:**

(This amendment provides \$4.3 million NGF the second year from the Temporary Assistance

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for Needs Families (TANF) block grant to contract with the local Community Action Agencies (CAA). The annual increase of \$4.3 million will ensure that agencies avoid reductions resulting from a new locality designation into the statewide network which goes into effect July 1, 2025, and mandated national census updates impacting the state's CAA funding formula starting July 1, 2026.)

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Item 331 #3s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$125,000	NGF

**Language:**

Page 446, line 16, strike "\$70,163,045" and insert "\$70,288,045".

Page 447, line 23, strike the second "\$2,000,000" and insert "\$2,125,000".

**Explanation:**

(This amendment provides \$125,000 NGF the second year from the Temporary Assistance for Needy Families (TANF) block grant for Northern Virginia Family Services (NVFS). This funding would increase NVFS's funding level by 5.0 percent.)

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Item 331 #4s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$0	\$250,000	GF

**Language:**

Page 446, line 17, strike "\$70,163,045" and insert "\$70,413,045".

Page 448, line 54, strike the second "\$200,000" and insert "\$450,000".

**Explanation:**

(This amendment provides \$250,000 GF the second year to increase funding for Youth for Tomorrow to provide comprehensive residential, education, and counseling services to at-risk youth in Virginia who have been sexually exploited, including victims of sex trafficking.)

---

Item 331 #5s

<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Social Services	\$300,000	\$0	GF

**Language:**

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Page 446, line 16, strike "\$68,565,691" and insert "\$68,865,691".

Page 450, after line 36, insert:

"CC. Out of this appropriation, \$300,000 the first year from the general fund shall be provided to the City of Williamsburg for Latisha's House to provide long-term, transitional housing services for female survivors of sex trafficking. Any unexpended balances in this paragraph at the close of business on June 30, 2025, shall not revert to the general fund but shall be carried forward and reappropriated in fiscal year 2026."

**Explanation:**

(This amendment provides \$300,00 GF the first year to the City of Williamsburg to Latisha's House. Latisha's House is a nonprofit organization that provides long-term, transitional housing for adult, female survivors of sex trafficking. Funding allows the organization to fill more beds, expand infrastructure, and acquire land.)

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	Item 331 #6s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Social Services	\$0	\$250,000 GF

**Language:**

Page 446, line 17, strike "\$70,163,045" and insert "\$70,413,045".

Page 450, line 33, after "year", insert "and \$250,000 the second year".

**Explanation:**

(This amendment provides \$250,000 GF the second year to the City of Charlottesville in support of programming at the Tonsler League which is a community organization that operates sports leagues and community events throughout the year to help serve the community's under-resourced population.)

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	Item 334 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Social Services	\$0	\$400,000 NGF

**Language:**

Page 451, line 52, strike "\$154,429,417" and insert "\$154,829,417".

Page 453, after line 45, insert:

"I. Out of this appropriation, \$400,000 the second year from the Commonwealth Opioid Abatement and Remediation Fund shall be provided to the Virginia Department of Social Services to create an Addiction Treatment Navigator that will allow members of the public

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seeking care to determine the proper level of care, access providers in their area, determine insurance coverage, and view provider quality metrics."

**Explanation:**

(This amendment provides \$400,000 NGF the second year from the Commonwealth Opioid Abatement and Remediation Fund for creation of an Addiction Treatment Navigator that will allow members of the public seeking care to determine the proper level of care, access providers in their area, determine insurance coverage, and view provider quality metrics.)

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	Item 334 #2s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Social Services	\$0	\$500,000 GF

**Language:**

Page 451, line 52, strike "\$154,429,417" and insert "\$154,929,417".

Page 453, after line 45, insert:

"I. Out of this appropriation, \$500,000 the second year from the general fund is provided for the Department of Social Services to begin the process of transitioning electronic benefits transfer cards to chip cards to combat fraud. The Department shall investigate all possible options for transitioning cards in the most cost effective way."

**Explanation:**

(This amendment provides \$500,000 GF the second year for the Department of Social Services to begin the process of transitioning electronic benefits transfer (EBT) cards to chip-enabled cards. This funding will allow the Department to begin looking for cost-effective options to begin transition Virginia's EBT cards to chip cards.)

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	Item 339 #1s	
<b>Health and Human Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department for the Blind and Vision Impaired	\$20,000	\$0 GF

**Language:**

Page 455, line 44, strike "\$1,425,674" and insert "\$1,445,674".

Page 455, line 49, before "Out", insert "A."

Page 455, after line 51, insert:

"B. Out of this appropriation, \$20,000 the first year from the general fund shall be provided for a one-time appropriation for Virginia Voice, a Richmond-based radio reading service, to support its expansion into the Southwest Virginia region."

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**Explanation:**

(This amendment provides \$20,000 GF the first year for a one-time appropriation for Virginia Voice, a Richmond-based radio reading service, to support its expansion into the Southwest Virginia region, giving access to critical services for people with vision impairments.)

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	Item 349 #1s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Labor and Industry	\$0	\$147,600 GF

**Language:**

Page 460, line 12, strike "\$2,253,355" and insert "\$2,400,955".

**Explanation:**

(This amendment provides \$147,600 GF the second year for the fiscal impact of Senate Bill 998, which creates protections for minors engaging in profitable content creation.)

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	Item 349 #2s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Labor and Industry	\$0	\$2,392,509 GF

**Language:**

Page 460, line 12, strike "\$2,253,355" and insert "\$4,645,864".

**Explanation:**

(This amendment provides \$2.4 million GF the second year for the fiscal impacts of Senate Bill 853 of the 2025 General Assembly, which requires public service companies to ensure payment at the prevailing wage rate set by the department for construction, alteration, or repair of renewable energy portfolio standard eligible source with over one megawatt of generation capacity and establishes apprenticeship labor standards.)

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	Item 350 #1s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Labor and Industry	(\$75,250)	(\$75,250) GF

**Language:**

Page 461, line 6, strike "\$13,847,377" and insert "\$13,772,127".

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Page 461, line 6, strike "\$13,847,377" and insert "\$13,772,127".

**Explanation:**

(This amendment captures funding provided for costs that may be absorbed with existing resources.)

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		Item 352 #1s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Labor and Industry	(\$52,370)	(\$52,370)	GF

**Language:**

Page 461, line 30, strike "\$5,057,237" and insert "\$5,004,867".

Page 461, line 30, strike "\$5,057,237" and insert "\$5,004,867".

**Explanation:**

(This amendment redirects funding provided for rent costs that may be absorbed.)

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		Item 354 #1s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Workforce Development and Advancement	(\$2,050,000)	\$0	GF

**Language:**

Page 462, line 51, strike "\$76,406,263" and insert "\$74,356,263".

Page 463, strike lines 30-31.

**Explanation:**

(This amendment redirects \$2.1 million GF the first year provided for promotion of an online portal.)

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		Item 354 #2s	
<b>Labor</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Workforce Development and Advancement	\$0	(\$350,000)	GF

**Language:**

Page 462, line 51, strike "\$42,765,600" and insert "\$42,415,600".

**Explanation:**

(This amendment redirects funding provided for agency administration. Administrative costs are supported with nongeneral fund resources.)

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Item 356 #1s

**Labor**

Virginia Employment Commission

Language

**Language:**

Page 466, after line 21, insert:

"O. The Virginia Employment Commission shall complete the Unemployment Insurance Wage Data Enhancement project by regularly collecting additional data from employers to share with the Virginia Longitudinal Data System, which will then make data available to the Virginia Office of Education Economics. Additional employee data shall include i) Job Title; ii) Pay Rate; and iii) Work Location. The commission shall use existing federal and state grant funds and complete the Unemployment Insurance Wage Data Enhancement project by December 31, 2025."

**Explanation:**

(This language-only amendment directs the Virginia Employment Commission to coordinate with the Virginia Office of Education Economics to complete the Unemployment Insurance Wage Data Enhancement project and provide key worker data for analysis.)

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Item 358 #1s

**Natural and Historic Resources**

Secretary of Natural and Historic Resources

Language

**Language:**

Page 467, after line 42, insert:

"E.1. The Secretary of Natural and Historic Resources shall convene a workgroup to study the requirements for and implementation of the Water Quality Improvement Fund.

2. The workgroup shall review and make recommendations on the Water Quality Improvement Fund including the organizational structure in the Code of Virginia and budget, disposition of funding, feasibility of the incorporation of the Stormwater Local Assistance Fund, grant approval guidelines including cost-effectiveness and co-benefits of practices funded, grant agreement terms, annual reporting requirements, potential improvements to the current funding

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needs assessments, and outdated or unnecessary requirements.

3. The workgroup shall include, but not be limited to, representatives from the Department of Conservation and Recreation, the Department of Environmental Quality, the Virginia Association of Soil and Water Conservation Districts, the Virginia Farm Bureau Federation, Virginia Cattlemen's Association, the Virginia Association of Municipal Wastewater Agencies, the Virginia Municipal Stormwater Association, the Chesapeake Bay Commission, the Chesapeake Bay Foundation, the James River Association, the Virginia Association of Counties, and the Virginia Municipal League and staff of the House Appropriations and Senate Appropriations and Finance Committees.

4. The workgroup's findings and recommendations shall be reported to the Chairs of the House Appropriations and Senate Appropriations and Finance Committees, the Chairs of the House Agriculture, Chesapeake, and Natural Resources and the Senate Agriculture, Conservation, and Natural Resources Committees, and the Chair of the State Water Commission no later than November 1, 2026."

**Explanation:**

(This amendment is a language-only amendment directing the Secretary of Natural and Historic Resources to convene a workgroup to study the requirements for and implementation of the Water Quality Improvement Fund. The work group's findings and recommendations will be reported to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, the Chairs of the House Agriculture, Chesapeake, and Natural Resources and the Senate Agriculture, Conservation, and Natural Resources Committees, and the Chair of the State Water Commission no later than November 1, 2026.)

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	Item 359 #1s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$50,000,000	\$0 GF

**Language:**

Page 468, line 2, strike "\$500,970,664" and insert "\$550,970,664".  
Page 471, line 33, strike "\$100,000,000" and insert "\$150,000,000".

**Explanation:**

(This amendment provides an additional \$50.0 million GF the first year for deposit to the

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Virginia Community Flood Preparedness Fund.)

---

Item 359 #2s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$250,000	\$0 GF

**Language:**

Page 468, line 2, strike "\$500,970,664" and insert "\$501,220,664".

Page 471, line 46, after "item," strike "\$500,000" and insert "\$750,000".

Page 471, at the end of line 47 insert "Any funding remaining at the end of Fiscal Year 2025 shall be carried forward into the next fiscal year for the same purpose."

**Explanation:**

(This amendment provides an additional \$250,000 GF the first year to continue cyanobacteria mitigation and remediation efforts at Lake Anna.)

---

Item 359 #3s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$500,000	\$0 GF

**Language:**

Page 468, line 2, strike "\$500,970,664" and insert "\$501,470,664".

Page 472, after line 16, insert:

"Y. Out of the appropriation in this item, \$500,000 the first year from the general fund shall be provided the Lake Barcroft Watershed Improvement District to complete engineering and design to bring the Lake Barcroft Dam Flood Mitigation Project to "construction ready" status."

**Explanation:**

(This amendment provides \$500,000 GF the first year to complete engineering and design work for the Lake Barcroft Dam Flood Mitigation Project in Fairfax County. The Lake Barcroft Watershed Improvement District is a political subdivision of the Commonwealth.)

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Item 359 #4s

<b>Natural and Historic Resources</b>	<b>Language</b>
Department of Conservation and Recreation	

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 472, after line 16, insert:

"Y.1. In any fiscal year, 50 percent of any funds previously distributed for Agricultural Best Management Practices for the purpose of grants for agriculture best management practices on lands in the Commonwealth that cannot be obligated by June 15 by a soil and water conservation district during such fiscal year, regardless of whether such lands are within or outside of the Chesapeake Bay watershed, may be reallocated by the Virginia Soil and Water Conservation Board to any soil and water conservation district for conservation practices. The Virginia Soil and Water Conservation Board may reallocate the remaining previously distributed funds that cannot be obligated by June 15 to the soil and water conservation districts within the same watershed.

2. Nothing in this section shall prevent any funds distributed to the Virginia Agricultural Best Management Practices Cost-Share Program for the purpose of matching grants for agricultural best management practices on lands in the Commonwealth that cannot be obligated by a soil and water conservation district during a fiscal year to transfer such funds to another soil and water conservation district within the same watershed within the same fiscal year."

**Explanation:**

(This language-only amendment provides for the redistribution of previously allocated funding that remains unobligated by June 15 each year. It allows for funding to be redistributed between watersheds for conservation practices.)

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	Item 360 #1s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$1,300,000	\$0 GF

**Language:**

Page 472, line 17, strike "\$101,226,439" and insert "\$102,526,439".

Page 474, after line 22, insert:

"P. Out of the appropriation in this item, \$1,300,000 the first year from the general fund is provided to Albemarle County for the design and construction of an Americans with Disabilities Act (ADA) accessible walking trail to connect Biscuit Run Park to the future Monacan Indian Nation Tribute Park."

**Explanation:**

(This amendment provides \$1.3 million GF the first year to Albemarle County for the design and construction of an accessible walking trail that connects Biscuit Run Park to the future

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Monacan Indian Nation Tribute Park in the Southwood Mobile Home Park redevelopment project.)

---

Item 360 #2s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$300,000	\$0 GF

**Language:**

Page 472, line 17, strike "\$101,226,439" and insert "\$101,526,439".

Page 474, after line 22, insert:

"P. 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. Any funding remaining at the end of the fiscal year shall be carried forward for the same purpose until the project is complete."

**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 361 #1s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$0	(\$57,000) GF

**Language:**

Page 474, line 23, strike "\$13,004,072" and insert "\$12,947,072".

**Explanation:**

(This amendment reduces support provided in the introduced budget bill by \$57,000 GF in the second year to reflect the current estimate of the additional employer cost associated with the contribution rate for participation in the Virginia Law Officers Retirement System by conservation officers, as provided for in Senate Bill 1201.)

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Item 362 #1s

<b>Natural and Historic Resources</b>	<b>Language</b>
Department of Environmental Quality	

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 475, line 28, unstrike "2025" and strike "2028".

Page 475, line 27, unstrike "2026" and strike "2030".

**Explanation:**

(This language-only amendment restores the budget language that was in enacted with the passage of Chapter 2, 2024 Special Session I.)

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Item 363 #1s

**Natural and Historic Resources**

**FY24-25**

**FY25-26**

Department of Environmental Quality

\$250,000

\$0 GF

**Language:**

Page 475, line 28, strike "\$57,982,778" and insert "\$58,232,778".

Page 477, after line 24, insert:

"N. Out of the amounts in this item, \$250,000 the first year from the general fund is provided for the department, in coordination with the Division of Consolidated Laboratory Services, to provide testing of inland waterways in the Commonwealth for the presence of harmful algal blooms, which may include enumeration of cyanobacteria and associated toxicity analyses. Any funds in this paragraph remaining at the end of the fiscal year shall be carried forward for the same purpose"

**Explanation:**

(This amendment provides \$250,000 GF the first year for the Department of Environmental Quality, in coordination with the Division of Consolidated Laboratory Services, to provide testing of inland waterways in the Commonwealth for the presence of harmful algal blooms.)

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Item 363 #2s

**Natural and Historic Resources**

**FY24-25**

**FY25-26**

Department of Environmental Quality

\$2,300,000

\$0 GF

**Language:**

Page 475, line 28, strike "\$57,982,778" and insert "\$60,282,778".

Page 477, after line 24, insert:

"N. Out of the amounts in this item, \$2,300,000 the first year from the general fund is provided for groundwater research in the Eastern Groundwater Management Area. The appropriation shall be distributed as follows: \$2,000,000 for the department to install five additional multi-well research stations to gather additional data to study the upper portions of the Eastern

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Groundwater Management Area; and \$300,000 for the department to conduct a study, in coordination with Virginia Polytechnic Institute and State University, to determine technically feasible locations within the Eastern Groundwater Management Area to recommend water treatment upgrades for Virginia municipal water systems modeled on the Hampton Roads Sanitation District SWIFT project and the cost of such upgrades. 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, 2026. Any funding remaining at the end of Fiscal Year 2025 shall be carried forward in to the next fiscal year for the purposes described in this paragraph."

**Explanation:**

(This amendment provides \$2.3 million GF the first year for the Department of Environmental Quality to expand ground water research in the Eastern Groundwater Management Areas. The funding includes support for multi-well research stations and resources to conduct a study to determine technically feasible locations to recommend water treatment upgrades modeled on the Hampton Roads Sanitation District SWIFT project and the cost of such upgrades. The analysis would 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, 2026.)

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	Item 365 #1s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Environmental Quality	(\$50,000,000)	\$0 GF

**Language:**

Page 478, line 31, strike "\$241,763,554" and insert "\$191,763,554".  
Page 480, strike lines 26 through 30.

**Explanation:**

(This amendment diverts \$50.0 million GF provided in the first year for the Richmond Combined Sewer Overflow project to other budget priorities.)

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	Item 365 #2s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Environmental Quality	(\$1,000,000)	\$0 GF

**Language:**

Page 478, line 31, strike "\$241,763,554" and insert "\$240,763,554".  
Page 481, line 4, strike "\$1,500,000" and insert "\$500,000."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment adjusts funding included in the introduced bill to provide \$500,000 GF the first year to the Town of Richlands for water treatment plant upgrades.)

---

Item 365 #3s

**Natural and Historic Resources**

Department of Environmental Quality

Language

**Language:**

Page 481, after line 5, insert:

"P. Notwithstanding § 62.1-44.19:14 G. 1., Code of Virginia, the compliance schedule deadline for the Spotsylvania Co.-FMC WWTF and Spotsylvania Co.-Massaponax WWTF projects shall be January 1, 2027, and for the Fredericksburg WWTF project shall be January 1, 2030. For each compliance year from January 1, 2026, until such deadline that each project does not achieve the nutrient removal technology concentration specified in § 62.1-44.19:14 G. 1., Code of Virginia, the facility owner shall be responsible for acquiring sufficient point source credits to comply with its total nitrogen and total phosphorus waste load allocations applicable to that compliance year. In addition, for the Fredericksburg WWTF project, the City of Fredericksburg shall commence construction by July 1, 2025, report its progress to the Department on February 1 and August 1 each year until completion, and place nutrient removal technology in service as soon as practical prior to January 1, 2030. By July 1, 2025, or as soon as possible thereafter, the Department of Environmental Quality shall (a) modify the Virginia Pollutant Discharge Elimination System permits for each facility consistent with the deadlines and requirements of this paragraph and (b) amend any existing water quality improvement agreement pursuant to § 10.1-2131, Code of Virginia, for each project in a manner consistent with the requirements and deadlines of this paragraph."

**Explanation:**

(This amendment extends the compliance schedule deadline for specific water treatment plant upgrades and requires semi-annual reporting to monitor progress.)

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Item 367 #1s

**Natural and Historic Resources**

**FY24-25**

**FY25-26**

Department of Wildlife Resources

\$450,000

\$0 GF

**Language:**

Page 481, line 48, strike "\$64,088,128" and insert "\$64,538,128".

Page 482, after line 27, insert:

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"F. Out of the amounts appropriated in this Item, \$450,000 the first year from the general fund is provided to the Department to fund high priority wildlife crossing projects. The funding shall be prioritized by the department to implement wildlife crossing projects with the best likelihood of reducing wildlife and vehicle collisions, as determined by the hot spot analysis in the Commonwealth's Wildlife Corridor Action Plan pursuant to § 29.1-579, Code of Virginia."

**Explanation:**

(This amendment provides \$450,000 GF the first year to fund high priority wildlife crossing projects.)

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	Item 371 #1s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Historic Resources	(\$750,000)	\$750,000 GF

**Language:**

- Page 484, line 7, strike "\$48,797,227" and insert "\$48,047,227".
- Page 484, line 7, strike "\$13,877,427" and insert "\$14,627,427".
- Page 487, line 15, unstrike "\$500,000" and strike "\$1,000,000".
- Page 487, line 15, unstrike "and \$500,000 the"
- Page 487, line 16, unstrike "second year".
- Page 487, line 42, unstrike "\$250,000" and strike "\$500,000".
- Page 487, line 42, unstrike "and \$250,000".
- Page 487, line 43, unstrike "second year".

**Explanation:**

(This amendment restores second year support to various organizations).

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	Item 371 #2s	
<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Historic Resources	(\$250,000)	\$0 GF

**Language:**

- Page 484, line 7, strike "\$48,797,227" and insert "\$48,547,227".

**Explanation:**

(This amendment redirects \$250,000 GF the first year to other budget priorities.)

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Item 371 #3s

*Amendments to SB 800 (as Introduced)*

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Historic Resources	\$2,000,000	\$0 GF

**Language:**

Page 484, line 7, strike "\$48,797,227" and insert "\$50,797,227".

Page 485, line 13, strike the first instance of "\$250,000" and insert "and \$2,250,000".

**Explanation:**

(This amendment provides \$2.0 million GF the first year for additional support of the African American Cemetery and Graves Fund. The program supports the maintenance and care of cemeteries established prior to 1948 specifically for the internment of African Americans.)

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Item 371 #4s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Historic Resources	\$500,000	\$0 GF

**Language:**

Page 484, line 7, strike "\$48,797,227" and insert "\$49,297,227".

Page 487, after line 47 insert:

"EE. Out of the amounts in this item, \$500,000 the first year from the general fund is provided to the City of Alexandria for activities undertaken to restore Douglass Cemetery."

**Explanation:**

(This amendment provides \$500,000 GF the first year to the City of Alexandria to restore Douglass Cemetery.)

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Item 371 #5s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Historic Resources	\$150,000	\$0 GF

**Language:**

Page 484, line 7, strike "\$48,797,227" and insert "\$48,947,227".

Page 487, line 25, strike "\$100,000" and insert "\$250,000".

**Explanation:**

(This amendment provides an additional \$150,000 GF the first year to Brunswick County to support the continuing efforts of the James Solomon Russell – Saint Paul’s College Museum and Archives restoration projects to preserve the photographs, papers, records, and other

artifacts in the museum's collection.)

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Item 373 #1s

**Natural and Historic Resources**

Marine Resources Commission

Language

**Language:**

Page 489, after line 18, insert:

"G. Notwithstanding § 28.2-1209, Code of Virginia, any city or county duly authorized by the Commission or other state agency to install an underground or underwater utility or facility, shall be deemed to possess a legal interest in the lawful use of state-owned waters, bottoms, or subsurface soils sufficient to qualify for any reimbursement for costs associated with relocation, removal, or abandonment of said utility or facility as a result of the construction or maintenance of any Congressionally approved navigation and flood control project undertaken by the Army Corps of Engineers or other federal agency to regulation navigable waters or flood control that requires relocation, removal, or abandonment of a permitted utility located on or under state-owned waters, bottoms, or subsurface soils of the Commonwealth."

**Explanation:**

(This language-only amendment clarifies the City of Norfolk's interest in submerged bottomlands for a waterpipe in the Elizabeth River at its current location. The clarification is necessary to move and relocate this submerged water pipe as part of the Army Corps of Engineers Coastal Storm Risk Management Project.)

---

Item 377 #1s

**Public Safety and Homeland Security**

Secretary of Public Safety and Homeland Security

Language

**Language:**

Page 492, strike lines 38 through 48.

**Explanation:**

(This amendment removes language in the introduced budget that withholds payments for certain local law enforcement agencies for noncompliance with new requirements related to immigration enforcement. Specifically, the language that is removed would have withheld Compensation Board jail per diem payments and Aid to Localities with Police Departments ("599") funding from: (i) an official of a facility in which an alien is incarcerated who does not comply with lawful U.S. Immigration and Customs Enforcement (ICE) detainers or does not provide 48-hour pre-release notifications to ICE; or (ii) such officials and local law enforcement

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agencies who impede cooperation or communication with ICE pursuant to a local ordinance, policy, procedure, or custom.)

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Item 385 #1s

**Public Safety and Homeland Security**

Department of Corrections

Language

**Language:**

Page 494, line 48, after "5.a.", strike "If", and insert:

"For those projects with a total cost exceeding \$12,000,000 for which "

Page 495, line 1, strike "August" and insert "July".

Page 495, line 1, after "1," strike the remainder of line 1.

Page 495, strike lines 2 through 5.

Page 495, line 6, strike "the detailed list of the Board-approved costs; and any other".

Page 495, line 6, after "any other", insert " all documents and".

Page 495, line 7, after "cost review", insert: "of the project at the completion of preliminary design".

Page 495, line 9, strike "Department of", and insert "Board".

Page 495, line 10, strike "Corrections".

**Explanation:**

(This amendment modifies the process by which local and regional jail renovation, expansion, or construction projects undergo review by the Department of General Services (DGS) in order to qualify for state reimbursement of up to 25.0 percent of project costs in accordance with § 53.1- 80 and § 53.1-81, Code of Virginia, to exempt projects with a total cost of \$12.0 million or less from being subject to DGS cost review. DGS review of jail projects was added to the existing Board of Local and Regional Jails review in 2022.)

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Item 388 #1s

**Public Safety and Homeland Security**

Department of Corrections

Language

**Language:**

Page 498, after line 45, insert:

"O. The Department of Corrections shall notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees at least 60 days before any relocation of a unit, including a general population or special purpose unit, to another facility. However, if temporary relocation of the unit is necessary due to extenuating emergency circumstances, the Department shall notify the Chairs no more than seven days after the temporary relocation."

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**Explanation:**

(This amendment requires the Department of Corrections to notify the Chairs of the House Appropriations and Senate Finance and Appropriations Committees at least 60 days before relocation of a unit to another facility or, if temporary relocation is necessary due to extenuating emergency circumstances, no more than seven days after the relocation.)

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	Item 389 #1s		
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Corrections	\$0	(\$467,283)	GF
	0.00	-6.00	FTE

**Language:**

Page 498, line 47, strike "\$275,777,262" and insert "\$275,309,979".

**Explanation:**

(This amendment reduces by \$467,283 GF the second year the proposed increase of \$934,566 GF for dental services mobile teams, bringing the total increase to \$467,283. The amount is sufficient to cover one mobile team with three personnel to support provision of routine dental treatment.)

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	Item 390 #1s		
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Corrections	\$0	\$212,632	GF

**Language:**

Page 499, line 31, strike "\$204,741,037" and insert "\$204,953,669".

Page 502, line 38, strike "\$987,368" and insert "\$1,200,000".

Page 502, strike lines 43 through 47 and insert:

- "1. Senate Bill 746 -- \$50,000
- 2. Senate Bill 757 -- \$50,000
- 3. Senate Bill 844 -- \$50,000
- 4. Senate Bill 848 -- \$50,000
- 5. Senate Bill 861 -- \$50,000
- 6. Senate Bill 880 -- \$50,000
- 7. Senate Bill 881 -- \$50,000
- 8. Senate Bill 883 -- \$50,000
- 9. Senate Bill 886 -- \$50,000
- 10. Senate Bill 891 -- \$50,000

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- 11. Senate Bill 939 -- \$50,000
  - 12. Senate Bill 941 -- \$50,000
  - 13. Senate Bill 970 -- \$50,000
  - 14. Senate Bill 1002 -- \$50,000
  - 15. Senate Bill 1098 -- \$50,000
  - 16. Senate Bill 1108 -- \$50,000
  - 17. Senate Bill 1110 -- \$50,000
  - 18. Senate Bill 1181 -- \$50,000
  - 19. Senate Bill 1182-- \$50,000
  - 20. Senate Bill 1186 -- \$50,000
  - 21. Senate Bill 1220 -- \$50,000
  - 22. Senate Bill 1271 -- \$50,000
  - 23. Senate Bill 1272 -- \$50,000
  - 24. Senate Bill 1329 -- \$50,000"
- Page 503, strike lines 1 through 8.

**Explanation:**

(This amendment provides \$212,632 GF the second year for the required deposit to the Corrections Special Reserve Fund, pursuant to § 30-19.1:4, Code of Virginia, for 24 sentencing bills which are being considered by the Senate and which are projected to increase the number of state-responsible prison beds that will be required over the next six years.)

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Item 390 #2s

**Public Safety and Homeland Security**

Department of Corrections

Language

**Language:**

Page 501, line 51, after "Q." strike "1."  
Page 502, strike lines 1 through 4.

**Explanation:**

(This amendment removes language limiting eligibility for inmates with consecutive and concurrent sentences to receive enhanced earned sentence credits, maintaining current law pursuant to § 53.1-202.3, Code of Virginia.)

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Item 392 #1s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of Criminal Justice  
Services

\$0

\$286,000 GF

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 504, line 35, strike "\$3,749,471" and insert "\$4,035,471".

**Explanation:**

(This amendment provides \$286,000 GF the second year to support the establishment of a Virginia Forensic Nursing Advisory Council to make recommendations on issues related to forensic examinations and sexual assault and domestic violence services, pursuant to Senate Bill 1041.)

---

Item 394 #1s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of Criminal Justice  
Services

\$3,500,000

(\$3,500,000) GF

**Language:**

Page 505, line 25, strike "\$235,665,783" and insert "\$239,165,783".

Page 505, line 25, strike "\$230,377,002" and insert "\$226,877,002".

Page 513, line 36, strike "the second year" and insert "the first year."

Page 513, line 43, strike "agencies within the Virginia State Police (VSP) Divisions III, IV, and VI, and".

Page 513, lines 44 through 46, strike "Remaining funds shall be disbursed to agencies in other VSP divisions as determined by the Department."

**Explanation:**

(This amendment transfers from the second year to the first year \$3.5 million included in the introduced budget for reimbursement to local law enforcement agencies for time spent transporting individuals under temporary detention orders and emergency custody orders.)

---

Item 394 #2s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of Criminal Justice  
Services

(\$2,500,000)

\$0 GF

**Language:**

Page 505, line 25, strike "\$235,665,783" and insert "\$233,165,783".

Page 513, strike lines 25 to 35.

**Explanation:**

(This amendment redirects \$2.5 million GF the first year for communications infrastructure

*Amendments to SB 800 (as Introduced)*

grants to other priorities.)

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	Item 394 #3s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Criminal Justice Services	\$0	(\$322,218) GF

**Language:**

Page 505, line 25, strike "\$230,377,002" and insert "\$230,054,784".

Page 509, line 48, strike "\$622,218" and unstrike "\$300,000".

Page 509, line 49, strike "fund the Office of First Responder Wellness".

Page 509, line 50, strike "or establish memorandums of understanding with" and unstrike "to".

Page 509, line 51, strike "and other first responders such as, but not limited to,".

Page 509, strike line 52.

Page 509, line 53, strike "dispatchers".

**Explanation:**

(This amendment redirects \$322,218 GF the second year in additional operational funding for the Office of First Responder Wellness to other purposes. In addition to GF and NGF administrative funding, the Office recently received \$3.0 million from an administrative reappropriation.)

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	Item 394 #4s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Criminal Justice Services	(\$6,837,475)	\$0 GF

**Language:**

Page 505, line 25, strike "\$235,665,783" and insert "\$228,828,308".

Page 508, line 13, strike "29,953,524" and unstrike "\$23,116,049."

Page 508, line 30, after "emergency." insert:

"Out of nongeneral fund cash balances in the School Resource Officer Incentive Grants Fund, up to \$6,200,000 the second year, dependent on grant applications, is designated for this purpose."

Page 508, line 43, after "ability-to-pay.", insert:

"Out of nongeneral fund cash balances in the School Resource Officer Incentive Grants Fund, up to \$1.5 million the second year, dependent on grant applications, shall be available for fifth- and sixth-year continuation grants, in addition to any funding previously provided for such

*Amendments to SB 800 (as Introduced)*

purpose."

**Explanation:**

(This amendment removes the increase of \$6.8 million GF the first year proposed in the introduced budget for the School Resource Officer Incentive Grants Fund in light of significant cash balances in the Fund. In order to best utilize existing cash balances for one-time purposes, budget language directs the Department of Criminal Justice Services to designate NGF balances of: (i) up to \$6.2 million, dependent on grant applications, for a digital mapping program for public colleges and universities, which supports visual communication technology and collaboration tools to coordinate emergency response; and (ii) up to \$1.5 million, dependent on grant applications, for fifth- and sixth-year continuation grants for school resource officers and school safety officers, as a temporary exception to the four-year grant period.)

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	Item 394 #5s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Criminal Justice Services	(\$200,000)	(\$200,000) GF

**Language:**

- Page 505, line 25, strike "\$235,665,783" and insert "\$235,465,783".
- Page 505, line 25, strike "\$230,377,002" and insert "\$230,177,002".
- Page 506, line 29, strike "\$6,188,807" and unstrike "\$5,988,807".
- Page 506, line 30, strike "\$8,588,807" and unstrike "\$8,388,807".
- Page 506, line 30, after "fund." strike "Out of all funds available for".
- Page 506, strike line 31.
- Page 506, strike the beginning of the line 32 through "Attorney General."

**Explanation:**

(This amendment redirects \$200,000 GF the first year and \$200,000 GF the second year from an increase proposed in the introduced budget for the Victim Witness Grant Program funding provided to the Office of the Attorney General. The Office maintains its existing grant of approximately \$300,000 GF each year.)

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	Item 394 #6s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Criminal Justice Services	\$2,000,000	\$5,000,000 GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 505, line 25, strike "\$235,665,783" and insert "\$237,665,783".

Page 505, line 25, strike "\$230,377,002" and insert "\$235,377,002".

Page 510, line 32, strike the first instance of "\$9,000,000" and insert "\$11,000,000".

Page 510, line 36, after "programs," insert ": (i)".

Page 510, line 38, after "Norfolk", strike "." and insert:

"; and (ii) at least \$2,000,000 the first year for the City of Chesapeake, including up to \$250,000 for allowable equipment associated with a Real Time Crime Information Center."

Page 511, line 12, strike "\$14,000,000" and insert "\$19,000,000".

Page 511, line 18, after "this amount," insert "(i)

Page 511, line 22, after "based on population", strike ".".

Page 511, line 22, after "based on population.", insert:

"; and (ii) \$5,000,000 the second year shall be provided to the City of Hampton and the City of Newport News, with a minimum award of \$2,500,000 per locality."

Page 511, line 27, after "this paragraph" insert:

"For the fiscal year 2026 grant award, 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 \$2.0 million GF the first year and \$5.0 million GF the second year for community violence reduction grants in additional localities. Funding in the first year supports a one-time grant to the City of Chesapeake through the Firearm Violence Intervention and Prevention Fund. Funding in the second year includes \$2.5 million for Hampton and \$2.5 million for Newport News through the Safer Communities program. Language prohibits Safer Communities program grants from being used for school resource officers and directs grant recipients to prioritize community-led solutions.)

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Item 394 #7s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of Criminal Justice  
Services

\$0

\$1,007,398 GF

**Language:**

Page 505, line 25, strike "\$230,377,002" and insert "\$231,384,400".

Page 509, line 1, strike "\$8,068,114" and insert "\$9,075,512".

**Explanation:**

(This amendment provides an additional \$1.0 million GF the second year in grants to sexual assault and domestic violence services agencies, which provide core services to victims of sexual and domestic violence. The amount represents an increase of 5.0 percent over total GF and NGF grants provided to such agencies through the Victim Services Grant Program in FY

*Amendments to SB 800 (as Introduced)*

2025.)

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Item 394 #8s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Criminal Justice Services	\$0	\$968,188	GF

**Language:**

Page 505, line 25, strike "\$230,377,002" and insert "\$231,345,190".

Page 506, line 30, strike "\$8,588,807" and insert "9,556,995".

**Explanation:**

(This amendment provides an additional \$968,188 GF the second year for the Victim Witness Grant Program, which supports core services to crime victims such as accompaniment to court hearings and emotional support and safety services. The amount represents an increase of 5.0 percent over total GF and NGF grants provided through the grant program in FY 2025.)

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Item 394 #9s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Criminal Justice Services	\$1,000,000	\$0	GF

**Language:**

Page 505, line 25, strike "\$235,665,783" and insert "\$236,665,783".

Page 513, after line 47, insert:

"AA. Included in the appropriation for this item is \$1,000,000 the first year from the general fund to support the YWCA Richmond with start-up operational costs for a public-private campus to serve survivors of domestic violence."

**Explanation:**

(This amendment provides \$1.0 million GF the first year to YWCA Richmond to support start-up operational costs for a public-private campus in Henrico County that will include 20 secure units, 24/7 hotline resources, mental health counseling space, legal support, court advocacy, and a mixed income early education and childcare center so survivors of domestic violence from Richmond, Chesterfield, and Henrico can access care.)

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Item 394 #10s

*Amendments to SB 800 (as Introduced)*

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Criminal Justice Services	\$3,000,000	\$0 GF

**Language:**

Page 505, line 25, strike "\$235,665,783" and insert "\$238,665,783".

Page 513, after line 47, insert:

"AA. Included in the appropriation for this item is \$3,000,000 the first year from the general fund for the Department of Criminal Justice Services to administer and provide grant funding for an Unmanned Aircraft Trade and Replace Program. For the purposes of this program, the Department may only distribute grant funds to state or local law enforcement agencies, local fire or ambulance service providers, or other local first responders that are seeking to transition from the use of an unmanned aircraft that is not allowable under federal rules and regulations, or would not be allowable under federal rules and regulations if currently manufactured, to an unmanned aircraft that is allowable under federal rules and regulations. To be eligible for the grant funding, a state or local law enforcement agency, local fire or ambulance service provider, or local first responder must relinquish the drone that is not federally allowable, or would not be federally allowable if currently manufactured. Grant funds shall be provided per drone based upon the drone's replacement costs, but shall not exceed \$25,000 per drone. Grant funds may only be used to purchase an equal number of drones that are in compliance with, without exception or waiver, Sections §§ 1821-1832 of the National Defense Authorization Act of 2024. The Department shall coordinate with the Secretary of Public Safety and Homeland Security, Virginia State Police, Virginia Association of Counties, Virginia Municipal League, Virginia Fire Chiefs Association, Virginia Ambulance Association, and the Virginia Sheriffs' Association to set any additional criteria for awarding the grants. This appropriation shall be one-time and shall be removed from the base budget after the biennium. Any remaining balance at year-end shall be carried forward to the subsequent fiscal year. The Department shall seek to distribute available funding geographically and, should multiple grant application rounds be necessary to support that goal, shall prioritize agencies that have not yet received funding under this program. Of this amount, the Director is authorized to expend reasonable amounts for state administration of the program including up to one temporary position."

**Explanation:**

(This amendment provides \$3.0 million GF the first year in one-time funding for a grant program to assist state and local law enforcement and other first responders with replacing unmanned aircraft systems to comply with federal requirements.)

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Item 398 #1s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>
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*Amendments to SB 800 (as Introduced)*

Department of Emergency Management	\$0	\$275,000	GF
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**Language:**

Page 515, line 22, strike "\$32,180,165" and insert "\$32,455,165".

**Explanation:**

(This amendment provides \$275,000 GF the second year for the fiscal impact of Senate Bill 1325, which directs the Department of Emergency Management to convene workgroups to study: (i) state reliance on federal grants for emergency functions; (ii) a legal and regulatory framework for declared disasters; and (iii) solutions to improve technology continuity.)

Item 406 #1s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Fire Programs	\$5,000,000	(\$5,000,000)	GF

**Language:**

Page 521, line 4, strike "\$50,433,415" and insert "\$55,433,415".  
 Page 521, line 5, strike "\$58,707,527" and insert "\$53,707,527".  
 Page 521, line 14, strike "the second year" and insert "the first year".

**Explanation:**

(This amendment moves from the second year to the first year \$5.0 million GF included in the introduced budget for firefighter non-vehicular equipment.)

Item 407 #1s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Fire Programs	\$0	(\$458,860)	GF
	0.00	-4.00	FTE

**Language:**

Page 521, line 34, strike "\$4,612,222" and insert "\$4,153,362".  
 Page 522, line 6, after "assessment and a", insert "joint".  
 Page 522, line 7, after "recommendation" insert "from the Virginia Fire Services Board and the Board of Housing and Community Development".  
 Page 522, line 7, after "or not" insert:  
 ", including a description of which fees, if any, are recommended for an increase based on the market cost and the projected additional fee revenue that would result from such recommended increase."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment reduces by \$458,860 GF and 4.0 positions the second year the amount proposed in the introduced budget for additional fire inspection positions, maintaining an increase of \$229,430 and 2.0 positions. This is in addition to \$217,000 GF each year provided in the 2024 adopted budget for the same purpose. According to the Department of Fire Programs, fire inspection fee rates have not increased since 2003. Language directs the Virginia Fire Services Board and the Board of Housing and Community Development, who administer the Statewide Fire Prevention Code (SFPC), to submit joint recommendations on which fees, if any, are recommended for increase based on market costs, by October 17, 2025.)

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Item 408 #1s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Forensic Science	\$0	\$108,000	GF
	0.00	1.00	FTE

**Language:**

Page 522, line 23, strike "\$64,682,000" and insert "\$64,790,000".

**Explanation:**

(This amendment provides \$108,000 GF and 1.0 position the second year for the Department of Forensic Science (DFS) to support the Crime Commission study on cases that were handled by Mary Jane Burton, a serologist employed by DFS in the 1970s and 1980s, including the impact of the expansion of the study pursuant to Senate Bill 1465.)

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Item 413 #1s

<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Juvenile Justice	\$0	\$1,600,540	GF

**Language:**

Page 526, line 34, strike "\$67,100,619" and insert "\$68,701,159".

Page 527, after line 53, insert:

"D. Included in the appropriation for this Item is \$1,600,540 the second year from the general fund to provide a \$3,000 salary increase for security positions."

**Explanation:**

(This amendment provides \$1.6 million GF the second year to provide a \$3,000 across-the-board salary increase for Department of Juvenile Justice security positions, or residential specialists, to help address high employment vacancy rates at the Bon Air Juvenile Correctional

*Amendments to SB 800 (as Introduced)*

Center.)

		Item 413 #2s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Juvenile Justice	\$1,829,000	(\$1,829,000)	GF

**Language:**

Page 526, line 33, strike "\$83,090,889" and insert "\$84,919,889".

Page 526, line 34, strike "\$67,100,619" and insert "\$65,271,619".

Page 527, after line 53, insert:

"D. Included in the appropriation for this Item is \$1,829,000 the first year from the general fund for costs associated with admissions and placements. Any remaining unexpended balance of amounts in this paragraph at year-end shall be reappropriated in the subsequent fiscal year."

**Explanation:**

(This amendment moves from the second year to the first year the \$1.8 million GF included in the introduced budget for central admission and placement costs.)

		Item 415 #1s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of State Police	\$0	\$88,687	GF
	0.00	1.00	FTE

**Language:**

Page 528, line 41, strike "\$120,388,444" and insert "\$120,477,131".

**Explanation:**

(This amendment provides \$88,687 GF the second year for an additional fingerprint technician at the Virginia State Police to support the provisions of Senate Bill 970, which establishes a legal framework for marijuana sales in the Commonwealth.)

		Item 415 #2s	
<b>Public Safety and Homeland Security</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of State Police	\$704,275	\$0	GF

**Language:**

Page 528, line 41, strike "\$122,053,845" and insert "\$122,758,120".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$704,275 GF the first year for anticipated systems changes to implement the provisions of Senate Bill 1466, which relates to criminal history record sealing.)

---

Item 415 #3s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of State Police

(\$876,000)

\$0 GF

**Language:**

Page 528, line 41, strike "\$122,053,845" and insert "\$121,177,845".

**Explanation:**

(This amendment reduces by \$876,000 GF the first year the funding of \$2.4 million proposed in the introduced budget for upgrading and replacing Live Scan electronic fingerprinting machines, bringing the net increase to \$1.5 million. This one-time funding is intended to assist criminal justice agencies who are the most in need of modernization.)

---

Item 417 #1s

**Public Safety and Homeland Security**

**FY24-25**

**FY25-26**

Department of State Police

\$0

(\$764,000) GF

**Language:**

Page 533, line 25, strike "\$46,476,657" and insert "\$45,712,657".

**Explanation:**

(This amendment reduces by \$764,000 GF the second year the funding of \$3.3 million included in the introduced budget for an annual pay step increase for sworn officers at the Virginia State Police, bringing the total increase to \$2.5 million. Instead of providing a 1.4 percent pay raise to all eligible sworn employees, as proposed in the introduced budget, budget language directs the Virginia State Police to provide targeted salary increases to address salary compression among sworn positions.)

---

Item 422 #1s

**Transportation**

Department of Aviation

Language

**Language:**

Page 540, strike lines 16-21.

**Explanation:**

(This amendment removes authorization for a \$20.0 million state-supported treasury loan for the Roanoke Regional Airport Commission.)

---

Item 425 #1s

**Transportation**

Department of Aviation

Language

**Language:**

Page 541, after line 11, insert:

"C.1. Notwithstanding § 33.2-1526.6, Code of Virginia, six percent of Commonwealth Aviation Fund funds shall be allocated as entitlement funds to the Metropolitan Washington Airports Authority (MWAA).

2.a. Of the remaining amounts from paragraph C.1., fifty percent of the funds from the Commonwealth Aviation Fund shall be allocated as entitlement funds to air carrier airports that are not airports owned or leased by MWAA.

b. In fiscal year 2026, no air carrier airport shall receive more than twenty-five percent or less than eight percent of the funds.

3.a. Of the remaining amounts from paragraph C.1., fifty percent of the funds from the Commonwealth Aviation Fund shall be allocated on a discretionary basis.

b. For the first six months of fiscal year 2026, (i) forty percent of the funds in paragraph C.3.a. shall be allocated by the Virginia Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA, and (ii) ten percent of the funds in paragraph C.3.a. shall be allocated by the Virginia Aviation Board for general aviation airports on a discretionary basis.

c. For the second six months of fiscal year 2026, all remaining funds in paragraph C.3.a. shall be allocated by the Virginia Aviation Board for all eligible airports on a discretionary basis, except airports owned or leased by MWAA."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment changes the allocation amounts allowed from the Commonwealth Aviation Fund to ensure efficient use of all funds from the Commonwealth Aviation Fund.)

---

Item 428 #1s

**Transportation**

Department of Motor Vehicles

Language

**Language:**

Page 543, line 39, after "facilities." insert "The Department shall not exceed the state rental rate in Item 71 for the rental of space in agency-owned facilities to other state agencies."

**Explanation:**

(This amendment clarifies that the Department of Motor Vehicles (DMV) cannot charge more than state rental rate for the rental of space in DMV-owned facilities to other state agencies.)

---

Item 433 #1s

**Transportation**

**FY24-25**

**FY25-26**

Department of Rail and Public  
Transportation

\$3,330,000

\$0 GF

**Language:**

Page 545, line 33, strike "\$982,561,629" and insert "\$985,891,629".

Page 547, line 2, strike "\$133,570,000", and insert "\$136,900,000".

**Explanation:**

(This amendment provides \$3.3 million GF the first year in updated operating assistance for the Washington Metropolitan Area Transit Authority. The Governor's introduced budget moved \$73.4 million GF from the second year to the first year and removed all second year funding, reflecting savings of \$11.1 million GF.)

---

Item 433 #2s

**Transportation**

**FY24-25**

**FY25-26**

Department of Rail and Public  
Transportation

\$200,000

\$0 GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 545, line 32, strike "\$982,561,629" and insert "\$982,761,629".

Page 547, after line 20, insert:

"H. Out of this appropriation, \$200,000 the first year from the general fund shall be provided to Hampton Roads Transit for a one-time transit investment."

**Explanation:**

(This amendment provides \$200,000 GF the first year to Hampton Roads Transit to provide support for a one-time transit investment.)

---

Item 455 #1s

**Veterans and Defense Affairs**

**FY24-25**

**FY25-26**

Department of Veterans Services

(\$3,000,000)  
\$3,000,000

\$0 GF  
\$0 NGF

**Language:**

Page 569, line 5, strike "\$23,760,000" and insert "\$20,760,000."

Page 569, line 11, after "reappropriated." insert:

"The Director, Department of Planning and Budget shall unallot \$1,660,000 from the general fund until the Department of Veterans Services submits a business plan that meets the criteria established in Chapter 2, 2024 Acts of Assembly, Special Session I."

**Explanation:**

(This amendment reduces by \$3.0 million GF the first year and increases by \$3.0 million NGF the first year proposed operational funding for two new veterans care centers to account for FY 2025 cash balances in a special revenue fund dedicated for such purpose. The amendment maintains the remaining \$1.7 million GF the first year included in the introduced budget for veterans care centers, but unallots the funding until the Department of Veterans Services submits the business plan that meets the requirements of Chapter 2, 2024 Acts of Assembly, Special Session I. Chapter 2 provided \$19.1 million GF the first year for start-up and initial operating costs and directed the Department to submit a business plan by September 1, 2024, that demonstrates how the veterans care centers will operate using solely nongeneral funds after start-up general fund amounts are exhausted.)

---

Item 456 #1s

**Veterans and Defense Affairs**

**FY24-25**

**FY25-26**

Department of Veterans Services

\$0

(\$126,068) GF

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 569, line 18, strike "\$37,095,545" and insert "\$36,969,477".

**Explanation:**

(This amendment redirects \$126,068 GF the second year for other priorities.)

---

		Item 458 #1s	
<b>Veterans and Defense Affairs</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Department of Veterans Services	\$0	(\$98,235)	GF

**Language:**

Page 570, line 47, strike "\$4,420,353" and insert "\$4,322,118".

**Explanation:**

(This amendment redirects \$98,235 GF the second year for a new IT-related position to be used for other priorities. The amendment maintains \$812,142 GF the first year and \$241,721 GF the second year for other IT-related costs at the Department, including an additional \$500,000 for an online service portal.)

---

		Item 460 #1s	
<b>Veterans and Defense Affairs</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Veterans Services Foundation	\$0	(\$7,000)	GF

**Language:**

Page 571, line 20, strike "\$482,155" and insert "\$475,155".

**Explanation:**

(This amendment redirects \$7,000 GF the second year for additional staff travel to be used for other priorities.)

---

		Item 469 #1s	
<b>Central Appropriations</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Central Appropriations	\$83,057,917	\$0	GF

**Language:**

Page 576, line 17, strike "\$202,906,143" and insert "\$285,964,060".

Page 585, after line 12, insert:

"V.1. Up to \$61,990,939 the first year from the general fund appropriation of this item shall be

*Amendments to SB 800 (as Introduced)*

used to provide all classified employees of the Executive Branch and other full-time employees of the Commonwealth, except elected officials, who were employed on or before February 25, 2025, and remained employed until at least May 25, 2025, a one-time bonus payment equal to 1.5 percent of their base pay on June 16, 2025.

2. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the bonus payment authorized in this paragraph only if they have attained an equivalent rating of at least "Contributor" on their performance evaluation and have no active written notices under the Standards of Conduct within the preceding twelve-month period.

3. The governing authorities of the state institutions of higher education may provide the bonus for faculty and university staff based on performance and other employment-related factors, as long as the bonuses do not exceed what the average would have been based on the general methodology authorized in this paragraph.

W. Up to \$21,066,978 from the general fund the first year is provided for a one-time bonus payment, equal to 1.5 percent of their base salary on July 1, 2025 provided that the governing authority of such employees use such funds to support the provision of a bonus for the following listed employees:

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 provides \$83.1 million the first year from the general fund to provide a 1.5 percent bonus to state employees and state-supported local employees on June 16, 2025.)

---

Item 470 #1s

**Central Appropriations**

Central Appropriations

Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 586, line 53, insert:

"N. 1) From such general fund revenues as are collected for fiscal year 2025 in excess of the official fiscal year 2025 revenue estimate included in this Act, the first \$500,000,000, or portion thereof, that is not required to meet a Constitutionally-mandated deposit to the Revenue Stabilization Fund, and prior to calculating the Revenue Reserve Fund and the Water Quality Improvement Fund Part A deposits, shall be reserved by the Comptroller in the Committed Fund Balance for the following purposes in priority order during the first year:

1. \$250,000,000 shall be reserved for the unfunded liabilities of retirement plans in the Virginia Retirement System; and
2. \$250,000,000 shall be reserved for the other postemployment benefit plans in the Virginia Retirement System.

2) In calculating the Revenue Reserve deposit, the State Comptroller shall not exclude the reserved amounts from the maximum deposit amount in subsection C of § 2.2-1831.3."

**Explanation:**

(This amendment contingently reserves \$500.0 million from any FY 2025 surplus after any Constitutionally-mandated deposit to the Rainy Day Fund for the retirement plans and other postemployment benefit plans administered by the Virginia Retirement System. These funds will provide \$250.0 million for the retirement plans and \$250.0 million for the other postemployment benefit plans.)

---

Item 471 #1s

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 590, strike lines 8 through 10.

**Explanation:**

(This amendment eliminates language in the budget adopted last year to remove the language related to the Clear Energy Innovation Bank since the bill was vetoed by the Governor.)

---

Item 471 #2s

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 589, after line 28, insert:

*Amendments to SB 800 (as Introduced)*

"3. Effective upon enactment of this act, the Director, Department of Planning and Budget shall identify any remaining general fund appropriation in this Item, allocated or originally appropriated to the Governor's Transformation Office, and shall unallot that amount for reversion to the general fund on June 30, 2025, except that \$1,000,000 of that amount shall remain available for evaluating the K-12 funding formula subject to approval and direction of the Joint Subcommittee on Elementary and Secondary Education Funding."

**Explanation:**

(This amendment reverts any remaining appropriation allocated to the Governor's Transformation Office to the general fund.)

---

Item 473 #1s

**Education: Higher Education**

Central Appropriations

Language

**Language:**

Page 591, after line 46, after "D" insert "1."

Page 591, after line 48, insert:

"2. Funds awarded for the biennium shall be issued based on the amounts stipulated in the MOU and shall not be reduced. The State Council of Higher Education for Virginia and the Virginia Economic Development Partnership, in consultation with staff representatives from participating institutions, the Senate Committee on Finance and Appropriations, the House Committee on Appropriations, the Secretary of Finance, and the Secretary of Education, shall review the methodology to determine award reduction amounts based on performance and provide recommendations to the Secretary of Finance and designated reviewers as outline in § 23.1-1241, Code of Virginia. The revised methodology shall be communicated to institutions including a list of frequently asked questions at least one year prior to implementing the change."

**Explanation:**

(This amendment clarifies the process for changing the methodology for award reductions based on performance.)

---

Item 475 #1s

**Independent Agencies**

**FY24-25**

**FY25-26**

State Corporation Commission

\$0

\$500,000 NGF

**Language:**

Page 594, line 4, strike "\$94,294,279" and insert "\$94,794,279".

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment provides \$500,000 NGF the second year for the associated administrative cost of legislation impacting the State Corporation Commission.)

---

Item 476 #1s

**Independent Agencies**

State Corporation Commission

Language

**Language:**

Page 594, after line 35, insert:

"The State Corporation Commission shall commence a proceeding to establish the minimum bill, as required by subsection D of §§ 56-594.3 and 56-594.4 of the Code of Virginia, immediately upon the adoption of regulations pursuant to subsection F of §§ 56-594.3 and 56-594.4 of the Code of Virginia, or July 1, 2025, if no such proceeding has already commenced before then."

**Explanation:**

(This amendment directs the State Corporation Commission to commence a proceeding to establish the minimum bill of the Shared Solar Program immediately upon the adoption of regulations or July 1, 2025, if no such proceeding has already commenced before then.)

---

Item 479 #1s

**Independent Agencies**

**FY24-25**

**FY25-26**

State Corporation Commission

(\$25,000,000)

(\$47,000,000)

GF

**Language:**

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

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

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

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

Page 595, after line 40, insert:

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

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment reduces \$25.0 million GF the first year and \$47.0 million GF the second year for the Commonwealth Health Reinsurance Program. In addition, \$20.0 million from the FY 2024 GF balance is also reverted to the general fund. The federal awards for the program have exceeded projections reducing any state funding required in this biennium. This action leaves \$20.0 million GF for any potential future state costs.)

---

Item 480 #1s

**Independent Agencies**

Virginia Lottery

Language

**Language:**

Page 597, strike lines 14 through 19.

**Explanation:**

(This amendment eliminates a Treasury Loan authorization that was included in the introduced budget for the start-up costs related to a gaming commission.)

---

Item 482 #1s

**Independent Agencies**

Virginia College Savings Plan

Language

**Language:**

Page 598, strike lines 6 though 10.

**Explanation:**

(This amendment eliminates language included in the introduced budget that authorized the transfer of \$60.0 million each year from actuarial surplus amounts of Defined Benefit 529 Programs to the State Council of Higher Education for Virginia.)

---

Item 483 #1s

**Independent Agencies**

Virginia College Savings Plan

Language

**Language:**

Page 598, after line 51, insert:

"G. Notwithstanding any other provision of law, the appropriation in this Item shall not be adjusted beyond the legislative appropriation provided."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment limits the appropriation for the Commonwealth Savers Plan to its legislative appropriation.)

---

Item 484 #1s

**Independent Agencies**

Virginia Retirement System

Language

**Language:**

Page 600, after line 36, insert:

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

**Explanation:**

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

---

Item 484 #2s

**Independent Agencies**

**FY24-25**

**FY25-26**

Virginia Retirement System

\$0

\$553,000 NGF

**Language:**

Page 599, line 5, strike "\$22,961,363" and insert "\$23,514,363".

**Explanation:**

*Amendments to SB 800 (as Introduced)*

(This amendment provides \$553,000 NGF the second year for the associated cost of legislation to the Virginia Retirement System for implementation.)

---

Item 489.10 #1s

<b>Independent Agencies</b>	<b>FY24-25</b>	<b>FY25-26</b>
Virginia Alcoholic Beverage Control Authority	\$0	\$3,600,000 NGF

**Language:**

Page 602, line 16, strike "\$34,266,173" and insert "\$37,866,173".

Page 603, after line 3, insert:

"H. Pursuant to Items 258 and 3-1.02 of this act, amounts from the Electronic Nicotine Delivery Systems Fund and from fees collected for the cigarette exemption certificate application authorized by Code of Virginia § 58.1-623.2, cigarette stamping permits pursuant to Code of Virginia § 58.1-1011, and distributor's licenses pursuant to Code of Virginia § 58.1-1021.04:1 shall be transferred to the Authority to fund the provisions of Senate Bill 1060 of the 2025 Session. The Authority shall not use funding allocated for alcohol licensing and enforcement to implement the provisions of Senate Bill 1060. The Authority shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by December 1 of each year on the number of underage sale checks performed and the compliance rate of such checks."

**Explanation:**

(This amendment recognizes the transfer of NGF funding from the Electronic Nicotine Delivery Systems Fund and from the Department of Taxation to the Alcoholic Beverage Control Authority, pursuant to companion amendments in Item 258 and Item 3-1.02, to fund the provisions of Senate Bill 1060, which directs the Authority to regulate retail tobacco stores including compliance with prohibitions on sales to minors. Language prohibits the Authority from using funding for alcohol licensing and enforcement for the provisions of Senate Bill 1060 and requires the Authority to report annually on underage sale checks.)

---

Item 489.10 #2s

**Independent Agencies**

Virginia Alcoholic Beverage Control Authority

Language

**Language:**

Page 602, line 45, strike "2024".

Page 602, line 48, strike "2024".

**Explanation:**

(This amendment provides for a treasury loan for ABC to administer skill game oversight and regulation as proposed in a Item 4-14 #2s.)

---

Item 489.20 #1s

**Independent Agencies**

Virginia Alcoholic Beverage Control Authority

Language

**Language:**

Page 603, strike lines 12 through 18.

Page 603, line 19, strike "B." and insert "A."

Page 603, line 21, strike "C." and insert "B."

Page 603, line 23, strike "D." and insert "C."

Page 603, line 26, strike "E." and insert "D."

Page 603, line 34, strike "F." and insert "E."

**Explanation:**

(This amendment removes an outdated annual reporting requirement regarding the Alcoholic Beverage Control Board's information technology systems.)

---

Item 489.30 #1s

**Independent Agencies**

Virginia Cannabis Control Authority

Language

**Language:**

Page 604, after line 7, insert:

"C. Notwithstanding the provisions of § 4-3.02 of this act, the State Comptroller may authorize an interest-free treasury loan for the Cannabis Control Authority to fund costs associated with Senate Bill 970 from the 2025 General Assembly Session. The amount of the treasury loan may include costs as estimated to be incurred by the Authority for the administration, regulation, enforcement, and oversight of retail marijuana sales in accordance with legislation passed by the 2025 General Assembly. The Authority is also authorized to transfer any amounts to the Department of Taxation that are necessary for one-time IT system changes necessitated by the legislation. 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 state costs associated with the regulation of retail marijuana. Intended repayment of the treasury loan is with revenues anticipated from any fines, fees, and taxes collected pursuant to the legislation."

*Amendments to SB 800 (as Introduced)*

**Explanation:**

(This amendment authorizes the Comptroller to approve an interest-free treasury loan to the Cannabis Control Authority to fund costs associated with Senate Bill 970, which relates to retail marijuana sales, to include a transfer payment to the Department of Taxation for any one-time IT system changes necessitated by the legislation.)

---

Item 489.40 #1s

**Independent Agencies**

Opioid Abatement Authority

Language

**Language:**

Page 605, after line 18, insert:

"Department of Health Professions (223) Prescription Monitoring Program \$600,000 \$400,000  
Department of Social Services (765) Addiction treatment Navigator \$0 \$400,000"

Page 605, line 20, strike "\$19,419,145", insert "\$20,019,145".

Page 605, line 21, strike "\$15,664,145", insert "\$16,464,145".

**Explanation:**

(This amendment adjusts the table under the Opioid Abatement Authority that tracks all appropriations provided from the Commonwealth Opioid Abatement and Remediation Fund.)

---

Item 489.50 #1s

**Independent Agencies**

**FY24-25**

**FY25-26**

Department of Medical Assistance  
Services

\$0  
\$0  
0.00

\$1,094,680 GF  
\$1,094,680 NGF  
9.00 FTE

**Language:**

Page 605, after line 26, insert:

**"§ 1-143.5 Office of Medicaid Financial Oversight**

489.50 Inspection, Monitoring, and Auditing  
Services (78700)

\$0 \$2,189,360

Fund Sources:

General

\$0 \$1,094,680

Federal Trust

\$0 \$1,094,680 "

Page 605, after line 25, insert:

"The annual salary of the Director, Office of Medicaid Financial Oversight, shall be paid consistent with the salary range for Level I agencies in §4-6.01 c.6a) of this Act, and the

*Amendments to SB 800 (as Introduced)*

policies of §4-6.01 shall apply for the compensation of the Director."

**Explanation:**

(This amendment provides \$1.1 million GF and \$1.1 million NGF the second year to fund the Office of Medicaid Financial Oversight, established in Senate Bill 1164, as an independent agency to provide financial oversight and fiscal accountability for the Commonwealth's Medicaid and children's health insurance programs.)

---

Item C-3.50 #1s

**Administration**

Department of General Services

Language

**Language:**

Page 616, line 53, strike "E. Funding in the item provides", and insert "E. 1. Of this appropriation, the Department of General Services may use up to \$35,000,000".

Page 617, line 1, after "Building.", insert:

"These funds shall be unallotted by the Department of Planning and Budget until the Department of General Services (DGS) presents a relocation plan for the agencies in the James Monroe Building to the Six-Year Capital Outlay Advisory Committee for approval. The plan shall include, but not be limited to, (i) the identified relocation space for each state agency, (ii) the anticipated renovation costs of each identified space, (iii) the anticipated impacts to the rent plan and parking fund, and (iv) identified conferencing space for agencies prior to completion of a new state agency building. In developing the plan, DGS shall (i) minimize the impact to the state rent plan by assigning space operated by DGS first, prior to using other state spaces, (ii) minimize the impact to the parking fund by maintaining agencies in downtown Richmond and assigning parking in state parking facilities, to the extent practicable, and (iii) providing recommendations to the Six-Year Capital Outlay Advisory Committee on any necessary rent plan changes or parking fee modifications to ensure sufficient funds for the operation of state buildings and parking facilities until the new state agency office building is constructed. These provisions shall not apply to the relocation of the Virginia Department of Health's Division of Pharmacy Services from the James Monroe Building."

Page 617, after line 9, insert:

"H.1. The scope for this project shall include approximately 220,000 square feet of assignable floor area to allow for relocation of tenants in Monroe, flexibility to adapt to unanticipated program needs, and the provision of swing space for pending renovations of other seat of government buildings. In addition, the scope shall include 21,900 sf of assignable floor area for a conference center to replace that which will be lost with the Monroe Building, 19,200 square feet of assignable floor area for a data center and facility and security offices, and parking capacity estimated at 836 spaces.

I.1. On July 1, 2025, the Virginia Department of Transportation (VDOT) shall transfer to the Department of General Services (DGS), the 0.535-acre parcel and the improvements thereon,

*Amendments to SB 800 (as Introduced)*

located at 1401 East Broad Street, in the City of Richmond, Virginia, designated as City of Richmond Tax Parcel E0000153005 (the “Annex Parcel”), as shown and more particularly described on that certain plat entitled “Compiled Map–Commonwealth of Virginia, Vacation of Lot Lines and Consolidation of Multiple Parcels Located in the Blocks Bounded by Broad Street, 14th Street, Bank Street and 9th Street, City of Richmond, Virginia,” as recorded on June 4, 2018, in the Office of the Circuit Court Clerk of the City of Richmond with Instrument #18-11067.

2. VDOT shall continue to operate the building located on the Annex Parcel until such time as VDOT completes the relocation of staff from the Annex building. DGS shall have control and use of areas designated for transition space for the 2025 elected officials and staff. DGS and VDOT may enter into an agreement to support activities during the transition. Any such agreement shall recognize as priority use of the building for transition space; such use which may continue as needed to accommodate renovations to the Patrick Henry Building (PHB). All efforts should be made so that continued use of the facility by VDOT or to accommodate offices during renovation of the PHB should not delay the advancement of the capital project authorized in this Item.

3. Upon VDOT fully vacating the building on the Annex Parcel, VDOT shall relinquish operations of the Annex building and appended elevated pedestrian walkway over Old 14th Street to the Department of General Services."

**Explanation:**

(This amendment provides language for the scope of the new state agency building to be constructed at the VDOT Annex on Broad Street to include 220,000 square feet of assignable floor space to relocate tenants from the James Monroe Building, accommodate swing space for future renovations, and a conference center space to replace the existing space in Monroe. It also requires the Department of General Services to present a detailed relocation plan prior to the allotment of funding for moving Monroe tenants.)

---

Item C-3.60 #1s

**Administration**

Department of General Services

Language

**Language:**

Page 617, strike lines 12 through 24 and insert:

“The Department of General Services shall undergo a review of potential relocation of its Office of Fleet Management Services (OFMS), currently located at the property at 2400 West Leigh Street in the City of Richmond. The review shall include, but not be limited to, (i) examination of other properties for relocation of OFMS and (ii) review of potential consolidation with the Virginia State Police and any other sizeable state fleet operations in the Richmond area. Virginia State Police and other affected agencies shall assist with the review as needed, which shall be provided to the Chairs of the House Appropriations and Senate Finance and

*Amendments to SB 800 (as Introduced)*

Appropriations Committees by November 1, 2025.”

**Explanation:**

(This amendment directs the Department of General Services to study the relocation of the Office of Fleet Management Services. The study will consider potential sites and costs and the potential to consolidate State Police's fleet at a potential location.)

---

	Item C-5 #1s	
<b>Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
George Mason University	\$9,000,000	\$0 GF

**Language:**

Page 618, line 15, strike "\$16,000,000" and insert "\$25,000,000".

**Explanation:**

(This amendment provides an additional \$9.0 million GF the first year for George Mason University to address priority facility improvements. This would increase total funding for this purpose to \$25.0 million over the biennium.)

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	Item C-8.60 #1s	
<b>Education</b>	<b>FY24-25</b>	<b>FY25-26</b>
Norfolk State University	\$6,000,000	\$0 GF

**Language:**

Page 619, line 16, strike "\$2,633,223" and insert "\$8,633,223".

Page 619, strike lines 18 through 21 and insert:

“Out of this appropriation, \$8,633,233 the first year from the general fund is provided to make campus safety and security improvements. This includes perimeter fencing, lighting, emergency call station installation and improvements, as well as property acquisition, and ensuing demolition and site stabilization/greening of resulting vacant land, as necessary. Any such land acquisitions shall be directly adjacent or in the near vicinity of the campus to make critical improvements to the security and safety of the campus and of its immediate surroundings.”

**Explanation:**

(This amendment provides \$8.6 million GF the first year for Norfolk State University to improve campus security through improvements, land acquisition, and demolitions.)

---

Item C-16.10 #1s

*Amendments to SB 800 (as Introduced)*

**Education: Higher Education**

**FY24-25**

**FY25-26**

Virginia Community College System

**Language:**

Page 621, after line 7, insert:

"C-16.10 Improvements: Property Transfer to Southwest Virginia Higher Education Center

\$0

\$0

The State Board for Community Colleges shall transfer, without consideration, the property substantially described as follows at Virginia Highlands Community College to the Board of Trustees of the Southwest Virginia Higher Education Center: a piece of land used as a parking lot, referred as parking lot 3, consisting of approximately 500 parking spaces. The transfer shall be made in a form approved by the Attorney General. The State Board and the Center shall work amicably to perform required land surveying to effectuate this transfer of the property substantially described herein and to resolve any boundary, rights of way, or easement concerns that arise in the course of this transfer. The Center shall be responsible for paying any land surveying and documenting recording costs related to this transfer. The appropriate officials of the Commonwealth shall prepare, execute, and deliver such documents as may be necessary to accomplish this transfer."

**Explanation:**

(This amendment transfers a parking lot from Virginia Highlands Community College to the Southwest Virginia Higher Education Center without consideration.)

---

Item C-24 #1s

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Behavioral Health and Developmental Services

(\$52,093,205)

\$0 GF

**Language:**

Page 622, line 43, strike "\$72,093,205" and insert "\$20,000,000".

**Explanation:**

(This amendment defers an expansion of the existing renovate, repair, and upgrade state facilities umbrella project at the Department of Behavioral Health and Developmental Services. A companion amendment provides funding for repairs and renovations at Southwestern Virginia Mental Health Institute.)

---

Item C-24.10 #1s

*Amendments to SB 800 (as Introduced)*

**Health and Human Resources**

**FY24-25**

**FY25-26**

Department of Behavioral Health and  
Developmental Services

\$10,020,611

\$0 GF

**Language:**

Page 623, after line 12, insert:

"C-24.10 Improvements: Improve safety and security at Southwestern Virginia Mental Health Institute

\$10,020,611

\$0

Fund Sources:

General

\$10,020,611

\$0 "

"Funds in this Item are provided for upgrades, renovations, and repairs to the Southwestern Virginia Mental Health Institute. The Department shall prioritize funding to maximize the security and safety of facility residents, patients, and staff, including access and security controls, duress systems, and window replacement."

**Explanation:**

(This amendment provides \$10.0 million GF the first year to upgrade and renovate Southwestern Virginia Mental Health Institute to maximize security and safety.)

Item C-46 #1s

**Central Appropriations**

**FY24-25**

**FY25-26**

Central Capital Outlay

\$61,300,000

(\$60,000,000) GF

**Language:**

Page 628, line 12, strike "\$204,000,000" and insert "\$265,300,000".

Page 628, line 12, strike "\$260,000,000" and insert "\$200,000,000".

Page 628, line 14, strike "204,000,000" and insert "265,300,000".

Page 628, line 14, strike "260,000,000" and insert "200,000,000".

Page 628, strikes line 17 through 50, and insert:"

Agency Name/Code	Project Code	FY 2025	FY 2026
Department of Military Affairs (123)	10893	\$2,869,016	\$3,729,720
		\$3,729,720	\$2,869,016
The Science Museum of Virginia (146)	13634	\$1,321,302	\$1,717,692
		\$1,717,692	\$1,321,302
Department of State Police (156)	10886	\$425,036	\$552,547

*Amendments to SB 800 (as Introduced)*

		\$552,547	\$425,036
Department of General Services (194)	14260	\$15,407,765	\$14,830,094
		\$18,830,094	\$11,407,765
Department of General Services (194) on behalf of the Fort Monroe Authority	18644	\$4,312,942	\$5,606,824
		\$5,606,824	\$4,312,942
Department of Conservation and Recreation (199)	16646	\$4,244,067	\$5,517,286
		\$5,517,286	\$4,244,067
The Library of Virginia (202)	17423	\$250,000	\$250,000
		\$282,118	\$250,000
Wilson Workforce and Rehabilitation Center (203)	10885	\$536,068	\$696,888
		\$696,888	\$536,068
The College of William and Mary (204)	12713	\$4,677,332	\$6,080,531
		\$6,080,531	\$4,677,332
University of Virginia (207)	12704	\$14,854,042	\$19,310,254
		\$19,310,254	\$14,854,042
Virginia Polytechnic Institute and State University (208)	12707	\$18,885,458	\$24,551,095
		\$24,551,095	\$18,885,458
Virginia Military Institute (211)	12732	\$2,919,609	\$3,795,492
		\$3,795,492	\$2,919,609
Virginia State University (212)	12733	\$3,824,421	\$4,971,747
		\$4,971,747	\$3,824,421
Norfolk State University (213)	12724	\$2,994,736	\$3,893,157
		\$3,893,157	\$2,994,736
Longwood University (214)	12722	\$2,442,242	\$2,134,914
		\$2,934,914	\$1,642,242
University of Mary Washington (215)	12723	\$7,627,044	\$2,765,157

***Amendments to SB 800 (as Introduced)***

		\$8,265,157	\$2,127,044
James Madison University (216)	12718	<del>\$5,012,314</del>	<del>\$6,516,008</del>
		\$6,516,008	\$5,012,314
Radford University (217)	12731	<del>\$6,223,402</del>	<del>\$2,890,423</del>
		\$6,890,423	\$2,223,402
Virginia School for the Deaf and the Blind (218)	14082	<del>\$983,159</del>	<del>\$1,278,106</del>
		\$1,278,106	\$983,159
Old Dominion University (221)	12710	<del>\$4,941,699</del>	<del>\$6,424,209</del>
		\$6,424,209	\$4,941,699
Virginia Commonwealth University (236)	12708	<del>\$15,974,436</del>	<del>\$20,766,767</del>
		\$20,766,767	\$15,974,436
Virginia Museum of Fine Arts (238)	13633	<del>\$3,300,000</del>	<del>\$2,184,767</del>
		\$3,919,561	\$1,565,206
Frontier Culture Museum of Virginia (239)	15045	<del>\$250,000</del>	<del>\$304,787</del>
		\$320,335	\$250,000
Richard Bland College (241)	12716	<del>\$400,547</del>	<del>\$520,711</del>
		\$520,711	\$400,547
Christopher Newport University (242)	12719	<del>\$2,701,851</del>	<del>\$3,512,406</del>
		\$3,512,406	\$2,701,851
University of Virginia's College at Wise (246)	12706	<del>\$2,061,186</del>	<del>\$729,541</del>
		\$2,529,541	\$561,186
George Mason University (247)	12712	<del>\$4,166,436</del>	<del>\$5,416,367</del>
		\$5,416,367	\$4,166,436
Virginia Community College System (260)	12611	<del>\$25,438,135</del>	<del>\$33,069,575</del>
		\$33,069,575	\$25,438,135
Virginia Institute of Marine Science (268)	12331	<del>\$786,767</del>	<del>\$1,022,796</del>

***Amendments to SB 800 (as Introduced)***

		\$1,022,796	\$786,767
Eastern Virginia Medical School (274)	18190	<del>\$2,180,212</del>	<del>\$2,834,276</del>
		\$2,834,276	\$2,180,212
Department of Agriculture and Consumer Services (301)	12253	<del>\$368,106</del>	<del>\$478,537</del>
		\$478,537	\$368,106
Department of Energy (409)	13096	<del>\$250,000</del>	<del>\$250,000</del>
		\$272,911	\$250,000
Department of Forestry (411)	13986	<del>\$1,933,163</del>	<del>\$2,513,111</del>
		\$2,513,111	\$1,933,163
Gunston Hall (417)	12382	<del>\$250,000</del>	<del>\$250,000</del>
		\$775,508	\$250,000
Jamestown-Yorktown Foundation (425)	13605	<del>\$1,528,753</del>	<del>\$1,987,379</del>
		\$1,987,379	\$1,528,753
Department for the Blind and Vision Impaired (702)	13942	<del>\$320,107</del>	<del>\$416,138</del>
		\$416,138	\$320,107
Department of Behavioral Health and Developmental Services (720)	10880	<del>\$8,101,746</del>	<del>\$10,532,270</del>
		\$10,532,270	\$8,101,746
Department of Juvenile Justice (777)	15081	<del>\$1,728,579</del>	<del>\$2,247,152</del>
		\$2,247,152	\$1,728,579
Department of Forensic Science (778)	16320	<del>\$790,370</del>	<del>\$1,027,481</del>
		\$1,027,481	\$790,370
Department of Corrections (799)	10887	<del>\$25,129,568</del>	<del>\$50,440,854</del>
		\$36,902,829	\$38,414,373
Institute for Advanced Learning and Research (885)	18044	<del>\$250,000</del>	<del>\$250,000</del>
		\$268,884	\$250,000
Department of Veterans Services (912)	17073	<del>\$250,000</del>	<del>\$250,000</del>

**Amendments to SB 800 (as Introduced)**

		\$303,648	\$250,000
Roanoke Higher Education Authority (935)	17916	\$288,384	\$374,899
		\$874,899	\$288,384
Southern Virginia Higher Education Center (937)	18131	<del>\$250,000</del>	\$250,000
		\$282,953	\$250,000
New College Institute (938)	18132	\$0	\$250,000
		\$0	\$250,000
Virginia Museum of Natural History (942)	14439	\$300,000	\$300,000
		\$338,618	\$300,000
Southwest Virginia Higher Education Center (948)	16499	\$250,000	\$308,042
		\$321,087	\$250,000
Total		\$204,000,000	\$260,000,000
		\$265,300,000	\$260,000,000

Page 629, strike lines 1 through 53.

**Explanation:**

(This amendment shifts \$60.0 million GF from the second year to the first year for maintenance reserve and provides \$1.3 million in targeted maintenance reserve distributions to Gunston Hall, Roanoke Higher Education Center, and the University of Virginia's College at Wise.)

Item C-48 #1s

**Central Appropriations**

**FY24-25**

**FY25-26**

Central Capital Outlay

(\$12,799,000)

\$0 GF

**Language:**

Page 632, line 25, strike "\$51,987,457" and insert "\$39,188,457".

Page 632, line 30, strike "40,233,560" and insert "27,434,560".

Page 633, line 29, after "K.", insert "1".

Page 633, line 29, strike "31,698,103" and insert "18,649,103".

Page 633, line 31, strike "31,698,103" and insert "18,649,103".

Page 633, strike lines 41 through 43.

*Amendments to SB 800 (as Introduced)*

Page 633, after line 43, insert:

"204 The College of William and Mary in Virginia Renovate Ewell Hall".

Page 633, strike lines 44 through 45.

Page 633, after line 48, insert:

"242 Christopher Newport University Replace Reserve Officer Training Corps (ROTC) Facility".

Page 633, after line 53, insert:

"2. a) The scope of the Department of General Services project to Replace State Laboratory (18706) shall be a 298,875 gross square feet lab facility and 401 surface parking spaces. Notwithstanding any other provision of law, the Department of Transportation (VDOT) shall transfer to the Department of General Services (DGS) approximately 50.336 acres of undeveloped land located along Times Dispatch Drive in Hanover County, Virginia, designated as Hanover County Tax Parcel 7795-99-9936. DGS is authorized to retain approximately 22 acres of Hanover County Tax Parcel 7795-99-9936 for the replacement of the Division of Consolidated Laboratory Services facility.

b) Notwithstanding § 2.2-1156 or any provision of law, the Department shall offer to convey the remainder to Hanover County for economic development. If no agreement is reached between the Department of General Services and Hanover County, the Department shall then surplus the property in accordance with § 2.2-1156 with the proceeds from the conveyance of this property deposited in the general fund of the state treasury, notwithstanding § 2.2-1156 or any provision of law."

Page 634, strikes lines 9 through 12.

Page 634, after line 12, insert:

"M. Out of this appropriation, \$250,000 the first year from the general fund shall be transferred into the Central Capital Planning Fund (09650) and provided to Radford University to conduct pre-planning on a project to construct an academic building in Roanoke.

N. Out of this appropriation, \$250,000 the first year from the general fund shall be transferred into the Central Capital Planning Fund (09650) and provided to Virginia State University to conduct pre-planning on a project to replace Johnston Memorial Library."

**Explanation:**

(This amendment authorizes Renovate Ewell Hall at William and Mary and Replace ROTC Facility at Christopher Newport University for detailed planning, defers detailed planning for the construction of a Roanoke academic building at Radford University and instead authorizes pre-planning, and authorizes pre-planning to replace Johnston Memorial Library at Virginia State University.)

---

Item C-51 #1s

**Central Appropriations**

Central Capital Outlay

Language

*Amendments to SB 800 (as Introduced)*

**Language:**

Page 637, line 41, after "facility." insert:

"In addition to the requirements in § 37.2-316, Code of Virginia, the Department of Behavioral Health and Developmental Services shall develop cost estimates for the renovation and improvement of Department owned facilities to transfer operations from Hiram Davis Medical Center to another Department facility. Such plan may include, but is not limited to, estimates for renovations at Southeastern Virginia Training Center to establish skilled licensed nursing beds. The Department shall provide these estimates in accordance with § 37.2-316."

**Explanation:**

(This amendment directs the Department of Behavioral Health and Developmental Services to develop cost estimates for the renovation and improvement of state facilities for the potential necessary improvements to establish skilled licensed nursing beds and transfer operations of Hiram Davis Medical Center since the Department has initiated the closure process in accordance with the Code of Virginia.)

---

Item C-52 #1s

<b>Central Appropriations</b>	<b>FY24-25</b>	<b>FY25-26</b>
Central Capital Outlay	(\$125,372,497)	\$0 GF

**Language:**

Page 637, line 43, strike "\$136,311,497" and insert "\$10,939,000".

Page 637, line 50, after "approval.", strike the remainder.

Page 637, strike lines 51 through 53 and insert:

"Once the project scope is approved by the Six-Year Capital Outlay Plan Advisory Committee, the project is authorized for full planning through working drawings. The Department of General Services shall serve as the project manager responsible for overseeing and coordinating the capital project."

**Explanation:**

(This amendment provides \$10.9 million GF to authorize planning through working drawings for the replacement of the State Police Training Academy. Combined with \$2.5 million previously provided for this project, there is sufficient funding for the project to progress fully through design and completion of working drawings with anticipated construction beginning in 2027.)

---

Item C-52.10 #1s

<b>Central Appropriations</b>	<b>FY24-25</b>	<b>FY25-26</b>
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*Amendments to SB 800 (as Introduced)*

Central Capital Outlay	\$115,146,106	\$0	GF
	\$75,200,000	\$0	NGF

**Language:**

Page 638, line 6, strike "\$528,545,771" and insert "\$718,891,877".

Page 638, after line 19, insert:

"207 University of Virginia Construct Center for the Arts (18602)"

Page 638, after line 31, insert:

"216 James Madison University Renovate Johnston Hall (18758)".

Page 638, strike lines 32 and 33.

Page 638, after line 35, insert:

"268 Virginia Institute of Marine Science Construct Marine Operations Administration Complex (18746)".

**Explanation:**

(This amendment authorizes three higher education capital projects for full construction funding, including University of Virginia Construct Center for the Arts, James Madison University Renovate Johnston Hall, and Virginia Institute of Marine Science Construct Marine Operations Administration Complex. The amendment defers acquisition of the Altria Building for Virginia Commonwealth University. The three projects included in the pool were previously authorized for detail planning.)

---

Item C-52.20 #1s

**Central Appropriations**

**FY24-25**

**FY25-26**

Central Capital Outlay

(\$28,529,414)

\$0 GF

**Language:**

Page 638, line 42, strike "\$130,451,057" and insert "\$101,921,643".

Page 638, strike lines 49 through 52.

**Explanation:**

(This amendment defers construction of a training and emergency operations facility at the State Military Reservation.)

---

Item C-53.60 #1s

**Central Appropriations**

Central Capital Outlay

Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 640, strike lines 11 through 21, and 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, amended in Item C-67 of the 2021 Acts of Assembly Special I, and further 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". The Department of General Services (the Department) has determined that the necessary water needs of the Piedmont Geriatric Hospital, Virginia Center for Behavioral Rehabilitation (Phases 1 and 2), and Nottoway Correctional Center, are best satisfied by replacing the main water transmission line and the exploration of increasing water capacity for the facilities by creating wells. The Department shall execute the project as described."

Page 640, strike lines 36 through 41, and insert:

"3. 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 the project to "Replace water transmission line to state facilities in Nottoway County, Virginia," 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."

**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-53.80 #1s	
<b>Central Appropriations</b>	<b>FY24-25</b>	<b>FY25-26</b>
Central Capital Outlay	\$40,000,000	\$0 GF

**Language:**

Page 640, after line 50, insert:

"C-53.80 Improvements: Local Water Quality and Supply Projects (18050)	\$40,000,000	\$0
Fund Sources: General	\$40,000,000	\$0 "

"A. From the appropriation and authorization provided in this Item, up to \$40,000,000 shall be provided to the Department of Environmental Quality for the Stormwater Local Assistance Fund, established in accordance with the provisions of Item 365 of this Act. In accordance with

*Amendments to SB 800 (as Introduced)*

the purpose of the Fund set out in Item 365, the appropriation shall be used to provide grants solely for capital projects meeting all pre-requirements for implementation, including but not limited to: i) new stormwater best management practices; ii) stormwater best management practice retrofits; iii) stream restoration; iv) low impact development projects; v) buffer restoration; vi) pond retrofits; and vii) wetlands restoration. Such grants shall be in accordance with eligibility determinations made by the State Water Control Board under the authority of the Department of Environmental Quality.

B. 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 the projects supported by this Item."

**Explanation:**

(This amendment provides \$40.0 million GF the first year to the Stormwater Local Assistance Fund to provide matching grants to local governments for the planning, design, and implementation of stormwater best management practices.)

---

Item 3-1.01 #1s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 655, after line 34, insert:

"VV. Notwithstanding any other provision of law, on or before June 30, the State Comptroller shall transfer an estimated \$97,444,075 the first year to the general fund from the remaining cash balances in Fund 02018 at the Department of Environmental Quality (440)."

**Explanation:**

(This amendment transfers \$97.4 million in nongeneral fund cash balances from the Department of Environmental Quality to the general fund.)

---

Item 3-1.01 #2s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 649, line 6, strike "\$156,100,000" and insert "\$154,522,000".

**Explanation:**

(This amendment reduces by \$1.6 million the estimated transfer of net profits from the

*Amendments to SB 800 (as Introduced)*

Alcoholic Beverage Control Authority to the general fund to account for additional duties and workload pursuant to Senate Bill 1060, which directs the Authority to regulate retail tobacco stores including compliance with prohibitions on sales to minors.)

---

Item 3-1.01 #3s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 655, after line 34, insert:

"VV. 1. Notwithstanding any other provision of law, the Department of Transportation (VDOT) shall transfer to the Department of General Services (DGS) two parcels of property located at and adjacent to 10267 Telegraph Road, Ashland, Virginia, known as the "Atlee Maintenance Lot" and "OFF RT 623 ADJ HWY PROP", Hanover County PID #7787-34-5666 and PID #7787-34-5926, respectively, totaling approximately 6.03 acres.

2. Notwithstanding § 2.2-1156 or any provision of law, the Department shall offer to convey the property to Hanover County for economic development.

3. If no agreement is reached between the Department of General Services and Hanover County in subsection 2, the Department shall then surplus the property in accordance with § 2.2-1156. Notwithstanding § 2.2-1156 or any provision of law, the proceeds from the conveyance of this property under this subsection shall be deposited in the general fund of the state treasury."

**Explanation:**

(This amendment transfers property from the Virginia Department of Transportation to the Department of General Services for the property to be used for economic development in Hanover County.)

---

Item 3-1.02 #1s

**Transfers**

Interagency Transfers

Language

**Language:**

Page 655, line 36, insert "A."

Page 655, after line 37, insert:

"B. The Virginia Department of Taxation shall transfer, from fees collected for the cigarette exemption certificate application authorized by Code of Virginia § 58.1-623.2, cigarette stamping permits pursuant to Code of Virginia § 58.1-1011, and distributor's licenses pursuant to Code of Virginia § 58.1-1021.04:1, \$613,000 the second year to the Virginia Alcoholic Beverage Control Authority to fund the provisions of Senate Bill 1060 of the 2025 Session."

**Explanation:**

(This amendment transfer fee revenue from cigarette exemption certificates from the Department of Taxation to Virginia Alcoholic Beverage Control Authority to fund the provisions of Senate Bill 1060 of the 2025 Session.)

---

Item 3-2.01 #1s

**Working Capital Funds and Lines of Credit**

Advances to Working Capital Funds

Language

**Language:**

Page 656, line 15, strike "A."

Page 656, strike lines, 17 through 19.

**Explanation:**

(This amendment eliminates a working capital advance of up to \$5,000,000 for start-up costs associated with implementing the Virginia Opportunity Scholarship Program.)

---

Item 3-2.03 #1s

**Working Capital Funds and Lines of Credit**

Lines of Credit

Language

**Language:**

Page 657, strike lines 12 through 13.

Page 657, strike lines 22 through 24.

Page 658, strike lines 11 through 13.

**Explanation:**

(This amendment removes new lines of credit included in the introduced budget bill for the Department of Military Affairs, Department of Workforce Development and Advancement, and the Department of Veterans Services for the Davis and McDaniel Veterans Care Center.)

---

Item 3-5.13 #1s

**Adjustments and Modifications to Tax Collections**

Sunset Dates for Income Tax Credits and Sales and Use Tax Exemptions

Language

**Language:**

*Amendments to SB 800 (as Introduced)*

Page 660, line 39, strike "to Evaluate Tax Preferences" and insert "on Tax Policy".

**Explanation:**

(This amendment adjusts reporting requirements to direct a report on income tax credits and sales and use tax exemptions to the Joint Subcommittee on Tax Policy.)

---

Item 3-5.16 #1s

**Adjustments and Modifications to Tax Collections**

Tobacco Tax Study

Language

**Language:**

Page 663, strike lines 7 through 14 and insert "Omitted".

**Explanation:**

(This amendment removes study language on tobacco taxes.)

---

Item 4-1.01 #1s

**Appropriations**

Prerequisites for Payment

Language

**Language:**

Page 667, after line 4, insert:

"i. No state agency may extend credit or loan money to any third party, including any government agency, local government, or non-governmental person or entity, without express statutory authority to extend credit or loan government funds. General authority to enter into contracts is not sufficient to authorize the extension of credit pursuant to this act."

**Explanation:**

(This amendment provides that no state agency may extend credit or loan money to any third party, including any government agency, local government, or non-governmental person or entity, without express statutory authority to extend credit or loan government funds. General authority to enter into contracts is not sufficient to authorize the extension of credit pursuant to this act.)

---

Item 4-1.02 #1s

**Appropriations**

*Amendments to SB 800 (as Introduced)*

Withholding of Spending Authority

Language

**Language:**

Page 668, after line 21, insert:

"c) 1. Within 30 business days after the enactment of amendments to federal income taxes, the Department of Taxation shall provide the estimated fiscal impacts to general fund revenue from such amendments to federal income tax law to the Governor and the Chairs of the Senate Finance and Appropriations and the House Appropriations Committee.

2. Within 20 business days of receiving the estimated fiscal impacts from the Department of Taxation in subsection c) 1., the Governor shall submit a budget bill in accordance with § 2.2-1509, notwithstanding any conflicting requirements in § 2.2-1509, if the cumulative projected impact of such amendments, except any amendment to federal income tax law that is a federal tax extender as defined under subdivision B 11 of § 58.1-301, would decrease general fund revenues by more than \$100.0 million in the fiscal year in which the amendments were enacted or the succeeding fiscal year.

3. Notwithstanding c) 2., if the requirements in subsection c) 1., are met on or after November 1 but before the date on which the Governor submits a budget bill in accordance with § 2.2-1509, the Governor shall not be required to submit a budget within 20 business days but instead shall include the estimated fiscal impacts in the budget bill introduced in accordance with § 2.2-1509. If the requirements in subsection c) 2. are met on or after the date on which the Governor submits a budget bill in accordance with § 2.2-1509 but before the adjournment of a regular session of the General Assembly in the following year, the Governor shall not be required to submit a budget within 20 business days."

**Explanation:**

(This amendment directs the Department of Taxation to produce estimated revenue impacts from federal income tax law changes impacting the general fund and communicate those within 30 business days to the Governor and General Assembly. Within 20 days after receiving the estimates, the Governor would be required to submit an introduced budget bill if the cumulative impact of federal amendments, except any amendment that is a federal tax extender, would decrease general fund revenue by more than \$100.0 million in the fiscal year in which the amendments were enacted or the succeeding fiscal year.)

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Item 4-1.02 #2s

**Appropriations**

Withholding of Spending Authority

Language

**Language:**

Page 669, after line 37, insert:

"e. Reduced Federal Grant Revenue:

"1. Within 30 business days after the enactment of federal changes that impact federal grant

*Amendments to SB 800 (as Introduced)*

revenue to the Commonwealth by at least \$100 million in the fiscal year in which the federal changes occur or the succeeding fiscal year, whether by an Act of Congress or by executive action, the Department of Planning and Budget shall provide the estimated fiscal impact from such federal changes to the Governor and the Chairs of the Senate Finance and Appropriations and the House Appropriations Committees.

2. Within 20 business days of receiving the estimated fiscal impact from the Department of Planning and Budget in subsection e.1., the Governor shall submit a plan, if the cumulative projected impact of such federal changes results in a decrease in federal grant revenue by more than \$100.0 million in the fiscal year in which the federal changes occur or the succeeding fiscal year, or if the reduction in federal grant revenue results in a cost shift to the Commonwealth due to federal mandates that result in an required increase in general fund spending of more than \$100.0 million, up to one percent of the general fund operating budget, in the fiscal year in which the federal changes occur or the succeeding fiscal year. The plan submitted by the Governor shall detail the reductions by federal grant, the impact on services to individuals in the Commonwealth, and the amount of any cost shifting to the Commonwealth that must be offset from the state general fund. For any additional funding the Commonwealth is required to expend from the general fund, the Governor shall develop a reduction plan consistent with d.5.a. and d.6. in this section.

3. If federal actions result in additional general fund expenditures that exceed one percent of the general fund operating budget in the fiscal year in which the federal changes occur or the succeeding fiscal year, the Governor shall notify the Chairs of the Senate Finance and Appropriations and House Appropriations Committees and the provisions of § 4-1.03 a. through d. of this act shall no longer apply and the Governor shall not withhold any spending authority until the General Assembly enacts a spending reduction plan through a general appropriation act.

4. These provisions shall not apply to major nongeneral fund sources as defined as Highway Maintenance and Operating Fund and Transportation Trust Fund."

**Explanation:**

(This amendment establishes a process to respond to potential reductions in federal grant revenue.)

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Item 4-1.03 #1s

**Appropriations**

Appropriation Transfers

Language

**Language:**

Page 670, after line 50, insert:

"9. The Director, Department of Planning and Budget shall have no authority to transfer appropriation included in this act that was appropriated to fund legislation that passed the General Assembly, but was vetoed by the Governor."

**Explanation:**

(This amendment clarifies that appropriation provided by the General Assembly that is related to legislation that is vetoed by the Governor shall not be transfereed or used for any other purpose.)

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Item 4-5.04 #1s

**Special Conditions and Restrictions on Expenditures**

Goods and Services

Language

**Language:**

Page 695, line 33, unstrike "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.)

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Item 4-7.01 #1s

**Statewide Plans**

Manpower Control Program

Language

**Language:**

Page 710, line 17, after "employment", insert "(the maximum employment level)".

Page 710, line 19, after "agencies.", insert:

"The Director, Department of Human Resource Management, shall review the number of full-time filled positions on a monthly basis to determine if the agency has exceeded its Position Level. In any month that an agency or agencies exceed their Position Level, the Director, Department of Human Resource Management, shall notify the Governor, the Director, Department of Planning and Budget, and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees indicating which agency or agencies exceeded their Position Level for that month, including the number of positions in excess. Any state agency that exceeds its Position Level shall seek approval for a temporary Position Level increase or develop a plan through attrition to reduce their number to be at or below their Position Level."

**Explanation:**

(This amendment clarifies requirements related to position levels.)

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**Effective Date**

Effective Date

Language

**Language:**

Page 723, strike lines 12 through 50.

Page 724, strike lines 1 through 56.

Page 725, strike lines 1 through 53.

Page 726, strike lines 1 through 54.

Page 727, strike lines 1 through 53.

Page 728, strike lines 1 through 50.

Page 729, strike lines 1 through 51.

Page 730, strike lines 1 through 52.

Page 731, strike lines 1 through 49.

Page 732, strike lines 1 and insert:

**"7. That §§ 58.1-322.03, 58.1-339.8, and 58.1-390.3 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, ~~2026~~2027 \$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); ~~and~~ (iv) for taxable years beginning on and after January 1, 2024, but before January 1, ~~2026~~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*

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*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

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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.

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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

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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, 2024, 50 percent of such disallowed business interest.

For purposes of subdivision 15, "business interest" means the same as that term is defined under

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§ 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, 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.

**§ 58.1-339.8. Income tax credit for low-income taxpayers.**

A. ~~As used in~~ *For purposes of* this section, ~~unless the context requires otherwise:~~

"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 ~~persons~~ *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.

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"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 ~~persons filing a joint return~~ *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, ~~2026~~2025 any individual or married ~~persons~~ *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 ~~persons~~ *individuals* for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year.

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*b. For taxable years beginning on and after January 1, 2025 but before January 1, 2027, 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.

**§ 58.1-390.3. Elective income tax on pass-through entities.**

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A. 1. For taxable years beginning on and after January 1, 2021, but before January 1, 2022, a pass-through entity may make an election, in a format and according to such requirements and procedures to be established by the Department, to pay the tax levied by this section at the entity level for the taxable year. Such election shall be made on or before a date to be determined by the Department, which shall be set no earlier than one year after the extended due date for filing the applicable return. Notwithstanding §§ 58.1-1812 and 58.1-1833, no interest shall accrue on underpayments or overpayments solely attributable to such election.

2. For taxable years beginning on and after January 1, 2022, but before January 1, ~~2026~~2027, a pass-through entity may make an annual election, on its timely filed return pursuant to § 58.1-392, to pay the tax levied by this section at the entity level for the taxable period covered by such return. Such election shall be made on or before the due date for filing the applicable return, including any extensions that have been granted.

B. A tax at the rate of 5.75 percent is hereby annually imposed on the Virginia taxable income, as calculated pursuant to § 58.1-391 but taking into account only the pro rata or distributive share of each item of income, gain, loss, or deduction attributable to eligible owners, for each taxable year of every pass-through entity that makes the election provided under subsection A.

C. In computing the tax imposed by this section, the pro rata or distributive share of the Virginia taxable income of each nonresident eligible owner shall be limited to income that is attributable to Virginia sources and shall be subject to the modifications to income as described in §§ 58.1-322.01 through 58.1-322.04.

D. A pass-through entity that elects to pay the tax levied by subsection B shall be eligible for all credits, deductions, or other adjustments to taxable income under § 58.1-391, provided that a pass-through entity's taxable income shall be adjusted to eliminate any federal deduction for state and local income taxes.

E. Any person that is subject to the tax imposed under § 58.1-320 or 58.1-360 and is an eligible owner of a pass-through entity making the election pursuant to this section shall be entitled to a credit against the tax imposed, provided that taxable income has been adjusted to add back any deduction for state and local income taxes paid by the pass-through entity. Such credit shall be in an amount equal to such person's pro rata share of the tax paid under this section by any pass-through entity of which such person is an owner. If the amount of the credit allowed pursuant to this subsection exceeds such person's tax liability for the tax imposed under § 58.1-320 or 58.1-360, as applicable, such excess shall be treated as an overpayment and refundable pursuant to §

58.1-499.

F. If any pass-through entity makes an election pursuant to this section, the Department shall assess and collect tax, interest, and penalties as if such tax is a corporate income tax imposed pursuant to the provisions of Article 10 (§ 58.1-400 et seq.).

G. The Department shall develop and make publicly available guidelines implementing the provisions of this section and the credit authorized by subdivision C 2 of § 58.1-332.

**8. That the second enactment of Chapter 763 of the Acts of Assembly of 2023 and the second enactment Chapter 791 of the Acts of Assembly of 2023 are amended and reenacted as follows:**

**~~2. That the provisions of this act shall apply to taxable years beginning on and after January 1, 2023.~~ Notwithstanding subdivision B 11 of § 58.1-301, as amended by this or any other act, Virginia shall not conform to (i) any amendment enacted on or after January 1, 2025, with a projected impact that would increase or decrease general fund revenues by any amount in the fiscal year in which the amendment was enacted or any of the succeeding four fiscal years and (ii) all amendments enacted on or after January 1, 2025 if the cumulative projected impact of such amendments would increase or decrease general fund revenues by any amount in the fiscal year in which the amendments were enacted or any of the succeeding four fiscal years. The provisions of this enactment shall not apply to any amendment to federal income tax law that is either subsequently adopted by the General Assembly or a federal tax extender as defined under subdivision B 11 of § 58.1-301, as created by this act.**

**9. That §§ 30-336, 30-337, and 30-338 of the Code of Virginia are repealed."**

Page 732, line 2 strike "17" and insert "22".

Page 732, line 3 strike "18" and insert "23".

Page 732, line 5, strike "19" and insert "24".

**Explanation:**

(This amendment extends the expiration date on the standard deduction, refundable earned income tax credit, and the pass-through entity elective tax until January 1, 2027, and clarifies thresholds for conformity to federal income tax. Additionally, it increases the standard deduction for tax year 2025 and 2026 to \$8,750 for single filers and \$17,500 for joint filers, a \$250 and \$500 increase respectively, and increases the refundability of the earned income tax credit from 15.0 to 20.0 percent of the federal earned income tax credit. The amendment

amends rolling conformity provisions such that Virginia does not conform to any federal tax amendment increasing or decreasing general fund revenue, except for federal tax extenders. The amendment also repeals the Joint Subcommittee to Evaluate Tax Preferences.)

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Item 4-14 #2s

**Effective Date**

Effective Date

Language

**Language:**

Page 732, insert after line 1:

**"10. That §§ 2.2-3711, as it is currently effective and as it shall become effective, 18.2-325, 18.2-334, 19.2-389, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, and 58.1-4007 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding a section numbered 18.2-334.7, and by adding in Title 58.1 a chapter numbered 42, consisting of sections numbered 58.1-4200 through 58.1-4219, as follows:**

**§ 2.2-3711. (Effective until date pursuant to Acts 2023, cc. 756 and 778, cl. 5) Closed meetings authorized for certain limited purposes.**

A. Public bodies may hold closed meetings only for the following purposes:

1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively.

2. Discussion or consideration of admission or disciplinary matters or any other matters that would involve the disclosure of information contained in a scholastic record concerning any student of any public institution of higher education in the Commonwealth or any state school system. However, any such student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if such student, parents, or guardians so request in writing and such request is submitted to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

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4. The protection of the privacy of individuals in personal matters not related to public business.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

6. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

9. Discussion or consideration by governing boards of public institutions of higher education of matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government" means any government other than the United States government or the government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust territory or protectorate thereof.

10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private sources.

11. Discussion or consideration of honorary degrees or special awards.

12. Discussion or consideration of tests, examinations, or other information used, administered, or prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

13. Discussion, consideration, or review by the appropriate House or Senate committees of possible disciplinary action against a member arising out of the possible inadequacy of the

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disclosure statement filed by the member, provided the member may request in writing that the committee meeting not be conducted in a closed meeting.

14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both. All discussions with the applicant or its representatives may be conducted in a closed meeting.

15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic activity and estimating general and nongeneral fund revenues.

16. Discussion or consideration of medical and mental health records subject to the exclusion in subdivision 1 of § 2.2-3705.5.

17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and subdivision 11 of § 2.2-3705.7.

18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; or discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building, or structure.

20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust established by one or more local public bodies to invest funds for postemployment benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or other ownership interest in an entity, where such security or ownership interest is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia College

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Savings Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure of information relating to the identity of any investment held, the amount invested, or the present value of such investment.

21. Those portions of meetings in which individual child death cases are discussed by the State Child Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual child death cases are discussed by a regional or local child fatality review team established pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed by a local or regional adult fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review Committee established pursuant to § 37.2-314.1.

22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any persons to whom management responsibilities for the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, have been delegated, in which there is discussed proprietary, business-related information pertaining to the operations of the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, including business development or marketing strategies and activities with existing or future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such information would adversely affect the competitive position of the Medical Center or Eastern Virginia Medical School, as the case may be.

23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or disposition by the Authority of real property, equipment, or technology software or hardware and related goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing or operational strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the competitive position of the Authority; and members of the Authority's medical and teaching

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staffs and qualifications for appointments thereto.

24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the Department of Health Professions to the extent such discussions identify any practitioner who may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in § 56-484.12, related to the provision of wireless E-911 service.

27. Those portions of disciplinary proceedings by any regulatory board within the Department of Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or meetings of health regulatory boards or conference committees of such boards to consider settlement proposals in pending disciplinary actions or modifications to previously issued board orders as requested by either of the parties.

28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in § 33.2-1800, or any independent review panel appointed to review information and advise the responsible public entity concerning such records.

29. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

30. Discussion or consideration of grant or loan application information subject to the exclusion in subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

31. Discussion or consideration by the Commitment Review Committee of information subject to the exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

32. Discussion or consideration of confidential proprietary information and trade secrets developed and held by a local public body providing certain telecommunication services or cable television services and subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6.

34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory

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Committee created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings of the Committee to deliberate concerning the annual maximum scholarship award, review and consider scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover scholarship awards.

37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port Authority.

38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6 related to economic development.

40. Discussion or consideration by the Board of Education of information relating to the denial, suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by executive order for the purpose of studying and making recommendations regarding preventing closure or realignment of federal military and national security installations and facilities located in Virginia and relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a local governing body, during which there is discussion of information subject to the exclusion in subdivision 8 of § 2.2-3705.2.

42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable information of donors.

43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained in grant applications.

44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary information of a private entity provided to the Authority.

45. Discussion or consideration of personal and proprietary information related to the resource management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain information that has been certified for release by the person who is the subject of the information or transformed into a statistical or aggregate form

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that does not allow identification of the person who supplied, or is the subject of, the information.

46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of applicants for licenses and permits and of licensees and permittees.

47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22.

48. Discussion or development of grant proposals by a regional council established pursuant to Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity Board.

49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii) individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and 63.2-1605.

50. Discussion or consideration by the Board of the Virginia Economic Development Partnership Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33 of § 2.2-3705.7.

51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting and any discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

55. *Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding the denial of, revocation of, suspension of, or refusal to renew any license related to skill game machines and any discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.*

B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in

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a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that shall have its substance reasonably identified in the open meeting.

C. Public officers improperly selected due to the failure of the public body to comply with the other provisions of this section shall be de facto officers and, as such, their official actions are valid until they obtain notice of the legal defect in their election.

D. Nothing in this section shall be construed to prevent the holding of conferences between two or more public bodies, or their representatives, but these conferences shall be subject to the same procedures for holding closed meetings as are applicable to any other public body.

E. This section shall not be construed to (i) require the disclosure of any contract between the Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies. However, such business or industry shall be identified as a matter of public record at least 30 days prior to the actual date of the board's authorization of the sale or issuance of such bonds.

**§ 2.2-3711. (Effective pursuant to Acts 2023, cc. 756 and 778, cl. 5) Closed meetings authorized for certain limited purposes.**

A. Public bodies may hold closed meetings only for the following purposes:

1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided that the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively.

2. Discussion or consideration of admission or disciplinary matters or any other matters that would involve the disclosure of information contained in a scholastic record concerning any student of any public institution of higher education in the Commonwealth or any state school system. However, any such student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if such student, parents, or guardians so request in writing and such request is submitted to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

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4. The protection of the privacy of individuals in personal matters not related to public business.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

6. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

9. Discussion or consideration by governing boards of public institutions of higher education of matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government" means any government other than the United States government or the government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust territory or protectorate thereof.

10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private sources.

11. Discussion or consideration of honorary degrees or special awards.

12. Discussion or consideration of tests, examinations, or other information used, administered, or prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

13. Discussion, consideration, or review by the appropriate House or Senate committees of possible disciplinary action against a member arising out of the possible inadequacy of the

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disclosure statement filed by the member, provided that the member may request in writing that the committee meeting not be conducted in a closed meeting.

14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both. All discussions with the applicant or its representatives may be conducted in a closed meeting.

15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic activity and estimating general and nongeneral fund revenues.

16. Discussion or consideration of medical and mental health records subject to the exclusion in subdivision 1 of § 2.2-3705.5.

17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and subdivision 11 of § 2.2-3705.7.

18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; or discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building, or structure.

20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust established by one or more local public bodies to invest funds for postemployment benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or other ownership interest in an entity, where such security or ownership interest is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia College

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Savings Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure of information relating to the identity of any investment held, the amount invested, or the present value of such investment.

21. Those portions of meetings in which individual child death cases are discussed by the State Child Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual child death cases are discussed by a regional or local child fatality review team established pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed by a local or regional adult fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review Committee established pursuant to § 37.2-314.1.

22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion University, as the case may be, and those portions of meetings of any persons to whom management responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary, business-related information pertaining to the operations of the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business development or marketing strategies and activities with existing or future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such information would adversely affect the competitive position of the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be.

23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or disposition by the Authority of real property, equipment, or technology software or hardware and related goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing or operational strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the

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competitive position of the Authority; and members of the Authority's medical and teaching staffs and qualifications for appointments thereto.

24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the Department of Health Professions to the extent such discussions identify any practitioner who may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in § 56-484.12, related to the provision of wireless E-911 service.

27. Those portions of disciplinary proceedings by any regulatory board within the Department of Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or meetings of health regulatory boards or conference committees of such boards to consider settlement proposals in pending disciplinary actions or modifications to previously issued board orders as requested by either of the parties.

28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in § 33.2-1800, or any independent review panel appointed to review information and advise the responsible public entity concerning such records.

29. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

30. Discussion or consideration of grant or loan application information subject to the exclusion in subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

31. Discussion or consideration by the Commitment Review Committee of information subject to the exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

32. Discussion or consideration of confidential proprietary information and trade secrets developed and held by a local public body providing certain telecommunication services or cable television services and subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6.

34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

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36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings of the Committee to deliberate concerning the annual maximum scholarship award, review and consider scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover scholarship awards.

37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port Authority.

38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6 related to economic development.

40. Discussion or consideration by the Board of Education of information relating to the denial, suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by executive order for the purpose of studying and making recommendations regarding preventing closure or realignment of federal military and national security installations and facilities located in Virginia and relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a local governing body, during which there is discussion of information subject to the exclusion in subdivision 8 of § 2.2-3705.2.

42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable information of donors.

43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained in grant applications.

44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary information of a private entity provided to the Authority.

45. Discussion or consideration of personal and proprietary information related to the resource management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain information that has been certified for release by the

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person who is the subject of the information or transformed into a statistical or aggregate form that does not allow identification of the person who supplied, or is the subject of, the information.

46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of applicants for licenses and permits and of licensees and permittees.

47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22.

48. Discussion or development of grant proposals by a regional council established pursuant to Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity Board.

49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii) individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and 63.2-1605.

50. Discussion or consideration by the Board of the Virginia Economic Development Partnership Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33 of § 2.2-3705.7.

51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting and any discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

*55. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding the denial of, revocation of, suspension of, or refusal to renew any license related to skill game machines and any discussion, consideration, or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.*

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B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that shall have its substance reasonably identified in the open meeting.

C. Public officers improperly selected due to the failure of the public body to comply with the other provisions of this section shall be de facto officers and, as such, their official actions are valid until they obtain notice of the legal defect in their election.

D. Nothing in this section shall be construed to prevent the holding of conferences between two or more public bodies, or their representatives, but these conferences shall be subject to the same procedures for holding closed meetings as are applicable to any other public body.

E. This section shall not be construed to (i) require the disclosure of any contract between the Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies. However, such business or industry shall be identified as a matter of public record at least 30 days prior to the actual date of the board's authorization of the sale or issuance of such bonds.

***§ 11-16.3. Exemption; play of authorized skill game machines.***

*This chapter shall not apply to the play of skill game machines or related activity that is lawful under Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1 or to any contract, conduct, or transaction arising from conduct lawful thereunder.*

**§ 18.2-325. Definitions.**

~~As used in this article, unless the context requires a different meaning:~~

*"Gambling device" includes:*

- 1. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other papers, that are actually used in an illegal gambling operation or activity; and*
- 2. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or video versions thereof, including those dependent upon the insertion of a coin or other object for their operation, which operates, either completely automatically or with the aid of some physical act by the player or operator, in such a manner that, depending upon elements of chance, it may eject something of value or determine the prize or other thing of value to which the player is entitled, provided, however, that the return to the user of nothing more than additional chances or the right to use such machine is not deemed something of value within the meaning of this definition, and provided further, that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other in composition, size, shape, or color, shall not be deemed gambling devices within the meaning of this definition.*

"Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or other consideration or thing of value, dependent upon the result of any game, contest, or any other event the outcome of which is uncertain or a matter of

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chance, whether such game, contest, or event occurs or is to occur inside or outside the limits of the Commonwealth.

For the purposes of this ~~subdivision~~ *definition* and notwithstanding any provision in this section to the contrary, the making, placing, or receipt of any bet or wager of money or other consideration or thing of value shall include the purchase of a product, Internet access, or other thing made in exchange for a chance to win a prize, stake, or other consideration or thing of value by means of the operation of a gambling device as described in ~~subdivision 3-b~~, *2 of the definition of "gambling device,"* regardless of whether the chance to win such prize, stake, or other consideration or thing of value may be offered in the absence of a purchase.

~~"Illegal gambling" also means the playing or offering for play of any skill game.~~

*"Illegal gambling" does not include the playing or offering for play of any skill game machine authorized pursuant to the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.*

~~2.~~ "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale within the Commonwealth of any interest in a lottery of another state or country whether or not such interest is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such interest.

~~3. "Gambling device" includes:~~

~~a. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other papers, which are actually used in an illegal gambling operation or activity;~~

~~b. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or video versions thereof, including but not limited to those dependent upon the insertion of a coin or other object for their operation, which operates, either completely automatically or with the aid of some physical act by the player or operator, in such a manner that, depending upon elements of chance, it may eject something of value or determine the prize or other thing of value to which the player is entitled, provided, however, that the return to the user of nothing more than additional chances or the right to use such machine is not deemed something of value within the meaning of this subsection; and provided further, that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other in composition, size, shape, or color, shall not be deemed gambling devices within the meaning of this subsection; and~~

~~c. Skill games:~~

~~Such devices are no less gambling devices if they indicate beforehand the definite result of one or more operations but not all the operations. Nor are they any less a gambling device because, apart from their use or adaptability as such, they may also sell or deliver something of value on a basis other than chance.~~

~~4.~~ "Operator" includes any person, firm, or association of persons, who conducts, finances, manages, supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

~~5.~~ "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

~~6. "Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate, or play a game, the outcome of which is determined by any element of skill of the player and that may deliver or entitle the person playing or operating the device to~~

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~~receive cash or cash equivalents, gift cards, vouchers, billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff is made automatically from the device or manually. "Skill game" includes (i) a device that contains a meter or measurement device that records the number of free games or portions of games that are rewarded and (ii) a device designed or adapted to enable a person using the device to increase the chances of winning free games or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill game" does not include any amusement device, as defined in § 18.2-334.6.~~

7. "Unregulated location" means any location that is not regulated or operated by the Virginia Lottery or the Virginia Lottery Board, the Department of Agriculture and Consumer Services, the Virginia Alcoholic Beverage Control Authority, or the Virginia Racing Commission.

**§ 18.2-334. Exception to article; private residences.**

Nothing in this article shall be construed to make it illegal to participate in a game of chance conducted in a private residence, provided such private residence is not commonly used for such games of chance and there is no operator as defined in ~~subsection 4 of § 18.2-325.~~

**§ 18.2-334.7. Exemptions to article; skill game machines.**

*Nothing in this article shall be construed to make it illegal to play any skill game machine or conduct any related activity that is lawful under Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1.*

**§ 19.2-389. Dissemination of criminal history record information.**

A. Criminal history record information shall be disseminated, whether directly or through an intermediary, only to:

1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of the administration of criminal justice and the screening of an employment application or review of employment by a criminal justice agency with respect to its own employees or applicants, and dissemination to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this subdivision, criminal history record information includes information sent to the Central Criminal Records Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee of the State Police, a police department or sheriff's office that is a part of or administered by the Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection of crime and the enforcement of the penal, traffic, or highway laws of the Commonwealth for the purposes of the administration of criminal justice;

2. Such other individuals and agencies that require criminal history record information to implement a state or federal statute or executive order of the President of the United States or Governor that expressly refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except that information concerning the arrest of an individual may not be disseminated to a noncriminal justice agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the charge has been recorded and no active prosecution of the charge is pending;

3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide services required for the administration of criminal justice pursuant to that agreement

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which shall specifically authorize access to data, limit the use of data to purposes for which given, and ensure the security and confidentiality of the data;

4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

5. Agencies of state or federal government that are authorized by state or federal statute or executive order of the President of the United States or Governor to conduct investigations determining employment suitability or eligibility for security clearances allowing access to classified information;

6. Individuals and agencies where authorized by court order or court rule;

7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned, operated, or controlled by any political subdivision, and any public service corporation that operates a public transit system owned by a local government for the conduct of investigations of applicants for employment, permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible with the nature of the employment, permit, or license under consideration;

7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction record would be compatible with the nature of the employment under consideration;

8. Public or private agencies when authorized or required by federal or state law or interstate compact to investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of that individual's household, with whom the agency is considering placing a child or from whom the agency is considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further disseminated to any party other than a federal or state authority or court as may be required to comply with an express requirement of law;

9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for the conduct of investigations of applicants for employment when such employment involves personal contact with the public or when past criminal conduct of an applicant would be incompatible with the nature of the employment under consideration;

10. The appropriate authority for purposes of granting citizenship and for purposes of international travel, including, but not limited to, issuing visas and passports;

11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at his cost, except that criminal history record information shall be supplied at no charge to a person who has applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse, Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been offered

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membership on the board of a Crime Stoppers, Crime Solvers, or Crime Line program as defined in § 15.2-1713.1;

12. Administrators and board presidents of and applicants for licensure or registration as a child welfare agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social Services' representative or a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the results of a background check that was conducted before July 1, 2021, in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

13. The school boards of the Commonwealth for the purpose of screening individuals who are offered or who accept public school employment and those current school board employees for whom a report of arrest has been made pursuant to § 19.2-83.1;

14. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§ 58.1-4000 et seq.) ~~and~~ casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, *and skill game machines as set forth in Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1*, and the Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

15. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the limitations set out in subsection E;

16. Licensed assisted living facilities and licensed adult day care centers for the conduct of investigations of applicants for compensated employment in licensed assisted living facilities and licensed adult day care centers pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

17. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in § 4.1-103.1;

18. The State Board of Elections and authorized officers and employees thereof and general registrars appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter registration, limited to any record of felony convictions;

19. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his designees for individuals who are committed to the custody of or being evaluated by the Commissioner pursuant to §§ 19.2-168.1, 19.2-169.1, 19.2-169.2, 19.2-169.5, 19.2-169.6, 19.2-182.2, 19.2-182.3, 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement, evaluation, treatment, or discharge planning;

20. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under § 18.2-51.4, 18.2-266, or 18.2-266.1;

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21. Residential facilities for juveniles regulated or operated by the Department of Social Services, the Department of Education, or the Department of Behavioral Health and Developmental Services for the purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

22. The Department of Behavioral Health and Developmental Services and facilities operated by the Department for the purpose of determining an individual's fitness for employment pursuant to departmental instructions;

23. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records information on behalf of such governing boards or administrators pursuant to a written agreement with the Department of State Police;

24. Public institutions of higher education and nonprofit private institutions of higher education for the purpose of screening individuals who are offered or accept employment;

25. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher education, for the purpose of assessing or intervening with an individual whose behavior may present a threat to safety; however, no member of a threat assessment team shall redisclose any criminal history record information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose that such disclosure was made to the threat assessment team;

26. Executive directors of community services boards or the personnel director serving the community services board for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver, or permission for any person under contract with the community services board to serve in a direct care position on behalf of the community services board pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

27. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver, or permission for any person under contract with the behavioral health authority to serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

28. The Commissioner of Social Services for the purpose of locating persons who owe child support or who are alleged in a pending paternity proceeding to be a putative father, provided that only the name, address, demographics, and social security number of the data subject shall be released;

29. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose of determining if any applicant who accepts employment in any direct care position or requests approval as a sponsored residential service provider, permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver, or permission for any person under contract with the provider to serve in a

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direct care position has been convicted of a crime that affects his fitness to have responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

30. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

31. The Chairman of the Senate Committee on the Judiciary or the Chairman of the House Committee for Courts of Justice for the purpose of determining if any person being considered for election to any judgeship has been convicted of a crime;

32. Heads of state agencies in which positions have been identified as sensitive for the purpose of determining an individual's fitness for employment in positions designated as sensitive under Department of Human Resource Management policies developed pursuant to § 2.2-1201.1;

33. The Office of the Attorney General, for all criminal justice activities otherwise permitted under subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent Predators Act (§ 37.2-900 et seq.);

34. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction, overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for the conduct of investigations of applications for employment or for access to facilities, by contractors, leased laborers, and other visitors;

35. Any employer of individuals whose employment requires that they enter the homes of others, for the purpose of screening individuals who apply for, are offered, or have accepted such employment;

36. Public agencies when and as required by federal or state law to investigate (i) applicants as providers of adult foster care and home-based services or (ii) any individual with whom the agency is considering placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the restriction that the data shall not be further disseminated by the agency to any party other than a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination, subject to limitations set out in subsection G;

37. The Department of Medical Assistance Services, or its designee, for the purpose of screening individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or have accepted a position related to the provision of transportation services to enrollees in the Medicaid Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program administered by the Department of Medical Assistance Services;

38. The State Corporation Commission for the purpose of investigating individuals who are current or proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter 16 (§ 6.2-1600 et seq.), Chapter 19 (§ 6.2-1900 et seq.), or Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2. Notwithstanding any other provision of law, if an application is denied based in whole or in part on information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant or its designee;

39. The Department of Professional and Occupational Regulation for the purpose of

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investigating individuals for initial licensure pursuant to § 54.1-2106.1;

40. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

41. Bail bondsmen, in accordance with the provisions of § 19.2-120;

42. The State Treasurer for the purpose of determining whether a person receiving compensation for wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

43. The Department of Education or its agents or designees for the purpose of screening individuals seeking to enter into a contract with the Department of Education or its agents or designees for the provision of child care services for which child care subsidy payments may be provided;

44. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

45. The State Corporation Commission, for the purpose of screening applicants for insurance licensure under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

46. Administrators and board presidents of and applicants for licensure or registration as a child day program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent of Public Instruction's representative from issuing written certifications regarding the results of prior background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

47. The National Center for Missing and Exploited Children for the purpose of screening individuals who are offered or accept employment or will be providing volunteer or contractual services with the National Center for Missing and Exploited Children; and

48. Other entities as otherwise provided by law.

Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on whom a report has been made under the provisions of this chapter.

Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to before an officer authorized to take acknowledgments, the Central Criminal Records

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Exchange, or the criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy of conviction data covering the person named in the request to the person making the request; however, such person on whom the data is being obtained shall consent in writing, under oath, to the making of such request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as he deems appropriate. In the event no conviction data is maintained on the data subject, the person making the request shall be furnished at his cost a certification to that effect.

B. Use of criminal history record information disseminated to noncriminal justice agencies under this section shall be limited to the purposes for which it was given and may not be disseminated further, except as otherwise provided in subdivision A 46.

C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history record information for employment or licensing inquiries except as provided by law.

D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange prior to dissemination of any criminal history record information on offenses required to be reported to the Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used. Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the essence and the normal response time of the Exchange would exceed the necessary time period. A criminal justice agency to whom a request has been made for the dissemination of criminal history record information that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the record as required by § 15.2-1722.

E. Criminal history information provided to licensed nursing homes, hospitals and to home care organizations pursuant to subdivision A 15 shall be limited to the convictions on file with the Exchange for any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

F. Criminal history information provided to licensed assisted living facilities and licensed adult day care centers pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for any offense specified in § 63.2-1720.

G. Criminal history information provided to public agencies pursuant to subdivision A 36 shall be limited to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier crime in § 19.2-392.02.

H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the request to the employer or prospective employer making the request, provided that the person on whom the data is being obtained has consented in writing to the making of such request and has presented a photo-identification to the employer or prospective employer. In the event no conviction data is maintained on the person named in the request, the requesting employer or prospective employer shall be furnished at his cost a certification to that effect. The criminal history record search shall be conducted on forms provided by the Exchange.

I. Nothing in this section shall preclude the dissemination of a person's criminal history record

information pursuant to the rules of court for obtaining discovery or for review by the court.

**§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

A. As used in this section:

"Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the behavior is not better explained by a manic episode.

"Problem gambling" means a gambling behavior that causes disruptions in any major area of life, including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as a gambling disorder.

B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of § 58.1-4038 ~~and~~, moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, *and moneys required to be deposited into the Fund pursuant to subdivision B 1 of § 58.1-4216* shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner.

**§ 58.1-4002. Definitions.**

As used in this chapter, unless the context requires a different meaning:

"Board" means the Virginia Lottery Board established by this chapter.

"Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, roulette wheels, Klondike tables, punchboards, faro layouts, numbers tickets, push cards, jar tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device under Chapter 41 (§ 58.1-4100 et seq.). "Casino gaming" or "game" includes on-premises mobile casino gaming.

"Department" means the independent agency responsible for the administration of the Virginia Lottery pursuant to this article and *the regulation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.), and skill game machines pursuant to Chapter 42 (§ 58.1-4200 et seq.)*.

"Director" means the Director of the Virginia Lottery.

"Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to ~~this chapter~~ *this article*.

"On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-switched data networks through which the casino gaming

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operator may offer casino gaming to individuals who have established an on-premises mobile casino gaming account with the casino gaming operator and who are physically present on the premises of the casino gaming establishment, as authorized by regulations promulgated by the Board.

"Sports betting" means placing wagers on sporting events as such activity is regulated by the Board.

"Ticket courier service" means a service operated for the purpose of purchasing Virginia Lottery tickets on behalf of individuals located within or outside of the Commonwealth and delivering or transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery service.

"Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4015.1 that allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision B 1 of § 58.1-4015.1 by placing their name on a voluntary exclusion list and following the procedures set forth by the Board.

**§ 58.1-4003. Virginia Lottery established.**

Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or judicial branches of government, the Virginia Lottery, which shall include a Director and ~~a~~ *the Virginia Lottery Board for the purpose purposes of operating a state lottery and regulating sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.), and skill game machines pursuant to Chapter 42 (§ 58.1-4200 et seq.).*

**§ 58.1-4006. Powers of the Director.**

A. The Director shall supervise and administer:

1. The operation of the lottery in accordance with the provisions of this chapter and with the rules and regulations promulgated ~~hereunder pursuant to this chapter; and~~
2. *The regulation of sports betting in accordance with Article 2 (§ 58.1-4030 et seq.) and with the rules and regulations promulgated pursuant to this chapter;*
3. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.) *and with the rules and regulations promulgated pursuant to that chapter; and*
4. *The regulation of skill game machines in accordance with Chapter 42 (§ 58.1-4200 et seq.) and with the rules and regulations promulgated pursuant to that chapter.*

B. The Director shall also:

1. Employ such deputy directors, professional, technical, and clerical assistants, and other employees as may be required to carry out the functions and duties of the Department.
2. Act as secretary and executive officer of the Board.
3. Require bond or other surety satisfactory to the Director from licensed agents as provided in subsection E of § 58.1-4009 and Department employees with access to Department funds or lottery funds, in such amount as provided in the rules and regulations of the Board. The Director may also require bond from other employees as he deems necessary.
4. Confer regularly, but not less than four times each year, with the Board on the operation and administration of the lottery, and the regulation of *sports betting, casino gaming, and skill game machines*; make available for inspection by the Board, upon request, all books, records, files,

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and other information and documents of the Department; and advise the Board and recommend such matters as he deems necessary and advisable to improve the operation and administration of the lottery and the regulation of *sports betting, casino gaming, and skill game machines*.

5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and regulations adopted ~~hereunder~~ *pursuant to this chapter*.

6. Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-4100 et seq.).

7. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director, reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming operations.

8. Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter 41 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate action.

9. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any licensee or permit holder and may compel the production of any of the books, documents, records, or memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41 (§ 58.1-4100 et seq.) and Department regulations.

10. Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to file with the Department such information as shall appear to the Director to be necessary for the performance of the Department's functions, including financial statements and information relative to principals and all others with any pecuniary interest in such person.

11. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings commenced pursuant to § 58.1-4105, to have violated any of the provisions of Chapter 41 (§ 58.1-4100 et seq.) or regulations promulgated by the Board.

12. Enter into arrangements with any foreign or domestic governmental agency for the purposes of exchanging information or performing any other act to better ensure the proper conduct of casino gaming operations or the efficient conduct of the Director's duties.

13. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery and into interstate lottery contracts with other states. A contract awarded or entered into by the Director shall not be assigned by the holder thereof except by specific approval of the Director.

14. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery revenues, prize disbursements and other expenses for the preceding month.

15. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other expenses, as well as a separate financial statement of the expenses incurred in the regulation of casino gaming operations as defined in § 58.1-4100, to the Governor and the General Assembly. Such annual report shall also include such recommendations for changes in this chapter and Chapter 41 (§ 58.1-4100 et seq.) as the Director and Board deem necessary or desirable.

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16. Report immediately to the Governor and the General Assembly any matters that require immediate changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter ~~and~~, Chapter 41 (§ 58.1-4100 et seq.), *and Chapter 42 (§ 58.1-4200 et seq.)*, or the rules and regulations adopted ~~hereunder~~ *pursuant to the provisions of such chapters*, or to rectify undesirable conditions in connection with the administration or operation of the lottery.

17. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of \$600 in the manner required by the lottery rules and regulations.

18. Provide for the withholding of the applicable amount of state and federal income tax of persons claiming a prize for a winning ticket in excess of \$5,001.

19. Participate in the Problem Gambling Treatment and Support Advisory Committee established pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable collaboration among prevention and treatment providers and operators of legal gaming in the Commonwealth on efforts to reduce the negative effects of problem gambling.

C. The Director and the director of security or investigators appointed by the Director shall be vested with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and to investigate violations of the statutes and regulations that the Director is required to enforce.

D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales agents that he determines will be cost effective and support increased sales of lottery products.

**§ 58.1-4007. Powers of the Board.**

A. The Board shall have the power to adopt regulations governing the establishment and operation of a lottery pursuant to this article ~~and~~, sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), *casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.)*, *and skill game machines pursuant to Chapter 42 (§ 58.1-4200 et seq.)*. The regulations governing the establishment and operation of the lottery ~~and~~, sports betting, *casino gaming, and skill game machines* shall be promulgated by the Board after consultation with the Director. Such regulations shall be in accordance with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient, honest, and economical operation and administration of the lottery ~~and~~, sports betting, *casino gaming, and skill game machines* and for the convenience of the purchasers of tickets or shares, the holders of winning tickets or shares, ~~and~~ sports bettors, *casino gaming patrons, and the players of skill game machines*. The regulations, which may be amended, repealed, or supplemented as necessary, shall include the following:

1. The type or types of lottery or game to be conducted in accordance with § 58.1-4001.
2. The price or prices of tickets or shares in the lottery.
3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii) returned to the Commonwealth as net revenues.
4. The manner of selecting the winning tickets or shares.
5. The manner of payment of prizes to the holders of winning tickets or shares.
6. The frequency of the drawings or selections of winning tickets or shares without limitation.

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7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the Internet.

9. The advertisement of the lottery in accordance with the provisions of subsection E of § 58.1-4022.

10. The licensing of agents to sell tickets or shares who will best serve the public convenience and promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's place of business so long as the employee is supervised in the selling or vending of tickets by the manager or supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public. Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary bonus or incentive programs for payments to licensed sales agents.

12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

13. Such other matters necessary or desirable for the efficient and economical operation and administration of the lottery.

14. The operation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.). In adopting such regulations, the Board shall establish a consumer protection program and publish a consumer protection bill of rights. Such program and bill of rights shall include measures to protect sports bettors, as defined in § 58.1-4030, with respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other consumer protection measure the Board determines to be reasonable.

15. The administration of a voluntary exclusion program as provided in § 58.1-4015.1.

The Department shall not be subject to the provisions of ~~Chapter 43~~ *the Virginia Public Procurement Act* (§ 2.2-4300 et seq.) ~~of Title 2.2~~; however, the Board shall promulgate regulations, after consultation with the Director, relative to departmental procurement which include standards of ethics for procurement consistent with the provisions of Article 6 (§ 2.2-4367 et seq.) ~~of Chapter 43 of Title 2.2~~ *the Virginia Public Procurement Act* and which ensure that departmental procurement will be based on competitive principles.

The Board shall have the power to advise and recommend, but shall have no power to veto or modify administrative decisions of the Director. However, the Board shall have the power to accept, modify, or reject any revenue projections before such projections are forwarded to the Governor.

B. The Board shall carry on a continuous study and investigation of the lottery ~~and~~, sports betting, *casino gaming, and skill game machines* throughout the Commonwealth to:

1. Ascertain any defects of this chapter or the regulations issued ~~hereunder which~~ *pursuant to*

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*this chapter that cause abuses in the administration and operation of the lottery and, sports betting and, casino gaming, or skill game machines or any evasions of such provisions.*

2. Formulate, with the Director, recommendations for changes in this chapter and the regulations promulgated ~~hereunder~~ pursuant to this chapter to prevent such abuses and evasions.

3. Guard against the use of this chapter and the regulations promulgated ~~hereunder~~ pursuant to this chapter as a subterfuge for organized crime and illegal gambling.

4. Ensure that this law and the regulations of the Board are in such form and are so administered as to serve the true purpose of this chapter.

C. The Board shall make a continuous study and investigation of (i) the operation and the administration of similar laws that may be in effect in other states or countries; (ii) any literature on the subject that may be published or available; (iii) any federal laws that may affect the operation of the lottery and, sports betting, casino gaming, and skill game machines; and (iv) the reaction of Virginia citizens to the potential features of the lottery and, sports betting, casino gaming, and skill game machines with a view to recommending or effecting changes that will serve the purpose of this chapter.

D. The Board shall hear and decide an appeal of any ~~denial~~:

1. Denial by the Director of the licensing or revocation of a license of a lottery agent pursuant to subdivision A 10 of this section and subdivision B 5 of § 58.1-4006. ~~The Board shall hear and decide an appeal of any penalty;~~

2. Penalty, denial of a permit or renewal, or suspension or revocation of a permit imposed by the Director pursuant to Article 2 (§ 58.1-4030 et seq.);

3. Penalty, denial of a permit or license or renewal, or suspension or revocation of a permit or license imposed by the Director pursuant to Chapter 41 (§ 58.1-4100 et seq.); and

4. Penalty, denial by the Director of a license or renewal, or suspension or revocation of a license imposed by the Director pursuant to Chapter 42 (§ 58.1-4200 et seq.).

E. The Board shall have the authority to initiate procedures for the planning, acquisition, and construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3 (§ 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

F. The Board may adjust the percentage of uncollectible gaming receivables allowed to be subtracted from adjusted gross revenue, as defined in § 58.1-4030, if it determines that a different percentage is reasonable and customary in the sports betting industry.

*CHAPTER 42.*

*VIRGINIA SMALL BUSINESS ECONOMIC DEVELOPMENT ACT.*

**§ 58.1-4200. Definitions.**

*As used in this chapter, unless the context requires a different meaning:*

*"ABC retail licensee" means a person who possesses a valid retail license issued by the Board of Directors of the Virginia Alcoholic Beverage Control Authority and who is in good standing.*

*"Board" means the Virginia Lottery Board.*

*"Department" means the Virginia Department of Taxation.*

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*"Distributor" means a person registered with the Board that sells, leases, offers, or provides and distributes skill game machines to an operator for use or play in the Commonwealth.*

*"Electronic games of chance" means any electronic game of chance that is authorized under the laws of the Commonwealth, including any account-based lottery game authorized under the provisions of Chapter 40 (§ 58.1-4000 et seq.) or Chapter 41 (§ 58.1-4100 et seq.); casino gaming authorized under the provisions of Chapter 41 (§ 58.1-4100 et seq.); charitable gaming, as defined in § 18.2-340.16; pari-mutuel wagering on horse racing, as defined in § 59.1-365; and fantasy contests, as defined in § 59.1-556.*

*"Establishment" means a person registered with the Board that permits an operator to place and operate skill game machines on the establishment's premises pursuant to this chapter.*

*"Gross receipts" means all revenue generated from the play of skill game machines minus prizes paid out to players.*

*"Inducement" means (i) consideration paid, directly or indirectly, from a distributor or operator, or another person on behalf of a distributor or operator, to an establishment, or an employee of the establishment, directly or indirectly, as an enticement to solicit or maintain the establishment's business or (ii) cash, incentive, marketing and advertising cost, gift, food, beverage, loan, prepayment of skill game revenue, or other contribution or payment that offsets an establishment's operational costs, or as otherwise determined by the Board.*

*"Operator" means a person registered with the Board to operate skill game machines by (i) purchasing or leasing skill game machines from a registered distributor, (ii) providing skill game machines to registered establishments, (iii) ensuring payment of prizes to players and collection of skill game machine revenue, and (iv) providing onsite collection of skill game machine data reporting as required by this chapter.*

*"Person" means an individual, partnership, joint venture, association, limited liability company, stock corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under common control with another person.*

*"Single play" means the period beginning when a player activates and pays for the interactive gameplay function of a skill game and ending at the time when the gameplay function or series of free subgames thereunder will not continue without payment by the player of additional consideration.*

*"Skill game" or "skill game machine" means an electronic, computerized, or mechanical contrivance, terminal, machine, or other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate, or play a game, the outcome of which is determined by the predominant skill of the player and that may deliver or entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers, billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff is made automatically from the device or manually. "Skill game" or "skill game machine" includes (i) any device that contains a meter or measurement device that records the number of free games or portions of games that are rewarded and (ii) any device designed or adapted to enable a person using the device to increase the chances of winning free games or portions of games by paying more than the amount that is ordinarily required to play the game. Skill game machines shall be programmed so that the maximum consideration to play is \$5 and the maximum winnings per a single play does not exceed \$5,000.*

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*"Skill game accounting system" means an internal system that tracks and collects information related to the play of skill games to ensure the accurate collection of taxes for the Commonwealth.*

*"Truck stop" means an establishment that (i) is equipped with diesel islands used for fueling commercial motor vehicles; (ii) has sold, on average, at least 50,000 gallons of diesel or biodiesel fuel each month for the previous 12 months, or is projected to sell an average of at least 50,000 gallons of diesel or biodiesel fuel each month for the next 12 months; (iii) has parking spaces dedicated to commercial motor vehicles; (iv) has a convenience store; and (v) is situated on not less than three acres of land that the establishment owns or leases.*

*"Use agreement" means a written agreement conforming to the regulations established by the Board and those minimum requirements set forth in this chapter between the establishment and the operator of the placement, operation, and maintenance of skill game machines at the establishment.*

*"Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4209 that allows individuals to voluntarily exclude themselves from engaging in the activities described in subsection B of § 58.1-4209 by placing their names on a voluntary exclusion list and following the procedures set forth by the Board.*

### **§ 58.1-4201. Powers and duties of the Board related to skill game machines; penalty.**

*A. The Board shall promulgate regulations governing the ownership, placement, use, and operation of skill game machines and any associated equipment.*

*B. The Board shall designate three nationally recognized and accredited laboratories to conduct the requisite skill game machine and software evaluation and approval pursuant to the requirements in § 58.1-4208.*

*C. The Board shall conduct a background investigation, to include a criminal history records search, which may include a fingerprint-based national criminal history records search, on each applicant for registration. The Board may refuse to issue a registration to any person or entity that has engaged in conduct prejudicial to public confidence in the Board or been (i) convicted of a crime involving moral turpitude, (ii) convicted of any form of illegal gambling, or (iii) convicted of a felony. The Board may refuse to grant a registration or may suspend, revoke, or refuse to renew a registration issued pursuant to this chapter to a corporation, limited liability company, or partnership if the Board determines that any officer, director, manager, or general or limited partner has engaged in conduct prejudicial to public confidence in the Board or been (a) convicted of a crime involving moral turpitude, (b) convicted of any form of illegal gambling, or (c) convicted of a felony. Any person that knowingly falsifies, conceals, or misrepresents a material fact or knowingly makes a false, fictitious, or fraudulent statement or representation in any application for registration to the Board is guilty of a Class 1 misdemeanor.*

*D. The Board shall require that each distributor submit a monthly report detailing the following:*

- 1. The total number of skill game machines provided for play in Virginia by the operator;*
- 2. The address of each location where skill game machines are provided for play by the operator;*
- 3. The total number of skill game machines provided for play by the operator at each respective*

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*location;*

*4. The total amount wagered during the previous month on each skill game machine provided for play by the operator at each establishment where the skill game machine was provided; and*

*5. The total amount of prizes or winnings awarded during the previous month on each skill game machine provided for play by the operator at each establishment where the skill game machine was provided.*

*E. The Board shall issue decals for each skill game machine registered pursuant to this chapter bearing the seal of the Commonwealth that include the words "Certified Skill Game Machine" and bear the effective dates of registration. Such decals shall be affixed by the operator on each registered skill game machine provided to each establishment for play.*

*F. Whenever it appears to the Board that any person has violated any provision of this chapter, the Director may apply to the appropriate circuit court for an injunction against such person. Any order granting or refusing such injunction shall be subject to appeal as in other cases in equity.*

*G. Whenever the Board has reasonable cause to believe that a violation of this chapter may have occurred, the Board, upon its own motion or upon complaint of any person, may investigate any distributor, operator, or establishment to determine whether such distributor, operator, or establishment has violated the provisions of this chapter.*

***§ 58.1-4202. Registration of distributors, operators, and establishments required; certification of skill game machines required; recordkeeping; application; application fees.***

*A. No operator shall place any skill game machine in the Commonwealth without first being registered with the Board. No distributor shall sell, lease, offer, or provide any skill game machine to an operator for use or play in the Commonwealth without first being registered with the Board. No establishment shall offer any skill game machine for play without first being registered with the Board. Applications for registration shall be on forms prescribed by the Board. The Board shall require each distributor that submits an application pursuant to this section to certify that any skill game machine such distributor seeks to sell, lease, offer, or provide for use or play in the Commonwealth has received proper certification from an independent testing laboratory certifying that such skill game machine and any associated equipment aligns with the definition of "skill game" in § 58.1-4200.*

*B. Every registration submitted pursuant to this chapter shall be accompanied by a nonrefundable fee as follows:*

*1. For initial registration:*

- a. Distributor: \$500,000;*
- b. Operator: \$100,000; and*
- c. Establishment: \$250.*

*2. For registration renewal:*

- a. Distributor: \$250,000;*
- b. Operator: \$10,000; and*
- c. Establishment: \$100.*

*C. Each application for registration as a distributor shall be accompanied by a bond with surety for \$1 million to be filed with the Board. Each application for registration as an operator shall be accompanied by a bond with surety for \$250,000 to be filed with the Board. Such bonds*

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*shall be for the purpose of covering any indebtedness by such registrants to the Board.*

*D. No person registered as a distributor shall be eligible to register as an operator or an establishment or have any interest in any person registered as an operator or an establishment pursuant to the provisions of this chapter.*

*No person registered as an operator shall be eligible to register as a distributor or an establishment or have any interest in any person registered as a distributor or establishment pursuant to the provisions of this chapter.*

*No person registered as an establishment shall be eligible to register as an operator or a distributor or have any interest in any person registered as an operator or a distributor pursuant to the provisions of this chapter.*

*E. Each distributor and operator registered pursuant to this chapter shall maintain complete, accurate, and separate records for a period of two years of all funds expended for play in each skill game machine and all game outcomes, including information sufficient to ensure the collection of the tax required by § 58.1-4216. The records shall be available for inspection and copying by the Board during reasonable hours. Each skill game machine shall be made available for the Board to conduct periodic audits.*

### **§ 58.1-4203. Suspension or revocation of registration; civil penalty.**

*A. After a hearing with 15 days' notice, the Board may suspend or revoke any registration or impose on such distributor, operator, or establishment a civil penalty of not more than \$25,000 for each violation of this chapter, not to exceed \$100,000, in any case where a violation of this chapter has been shown by a preponderance of the evidence.*

*B. If any such registration is suspended or revoked, the Board shall state its reasons for doing so, which shall be entered of record. Such action shall be final unless appealed in accordance with § 58.1-4204. Suspension or revocation of a registration issued by the Board for any violation shall not preclude civil liability for such violation.*

*C. All civil penalties shall be paid into the Virginia Small Business Economic Development Fund established in § 58.1-4206.*

### **§ 58.1-4204. Hearing and appeal.**

*Any person aggrieved by a denial of the Board to issue a registration, the suspension or revocation of a registration, the imposition of any fine or civil penalty, or any other action of the Board may seek review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 of the Administrative Process Act.*

### **§ 58.1-4205. Registration not endorsement.**

*No registered operator shall use or exploit the fact of registration pursuant to this chapter so as to lead the public to believe that such registration in any manner constitutes an endorsement or approval by the Commonwealth.*

### **§ 58.1-4206. Virginia Small Business Economic Development Fund.**

*There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Small Business Economic Development Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All fees, charges, and civil penalties collected by the Board as provided in this chapter shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and*

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*be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of financing the administration and operation of skill game machines pursuant to the provisions of this chapter. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director.*

**§ 58.1-4207. PreK-12 Priority Fund.**

*There is hereby created in the state treasury a special permanent, nonreverting, interest-bearing fund to be known as the PreK-12 Priority Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of (i) any gross receipts tax distributed pursuant to subdivision B 6 of § 58.1-4216; (ii) any other moneys appropriated to it by the General Assembly; and (iii) such other sums as may be made available to it from any other source, public or private, all of which shall be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall remain in the Fund and shall not revert to the general fund. All amounts credited to the Fund shall be used solely for public education purposes in the Commonwealth in accordance with the general appropriation act. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director.*

**§ 58.1-4208. Approval of skill game machines; submission to Board.**

*A. No skill game machine shall be offered for play by the public in the Commonwealth unless such skill game machine has first been approved by the Board, consistent with the requirements of this chapter.*

*B. Before selling, leasing, or otherwise providing a skill game machine to an operator, a distributor shall provide a prototype or production sample of such skill game machine to an independent testing laboratory that has been approved by the Commonwealth, which shall evaluate and certify whether such skill game machine meets the definition of skill game under § 58.1-4200.*

*C. Along with the prototype or production sample of the skill game machine, the distributor shall provide any additional information concerning the skill game machine necessary for the certification, as determined by the independent testing laboratory.*

*D. The report of the independent testing laboratory shall be submitted by the distributor to the Board. The Board shall rely on this report in evaluating whether the skill game machine shall be approved pursuant to the provisions of this chapter.*

*E. If, at any time, a distributor makes a substantive change to any skill game machine that has previously been approved by the Board, such distributor shall resubmit such skill game machine to the Board in a manner prescribed by Board regulations.*

*F. The distributor shall pay the cost of the independent testing laboratory's review and testing, and the reports of the same shall be delivered to the distributor and the Director.*

**§ 58.1-4209. Voluntary exclusion program.**

*A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.*

*B. Except as provided by regulation of the Board, a person who participates in the voluntary*

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*exclusion program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of Chapter 40 (§ 58.1-4000 et seq.) or Chapter 41 (§ 58.1-4100 et seq.); (ii) participating in sports betting, as defined in § 58.1-4030; (iii) engaging in any form of casino gaming authorized under the provisions of Chapter 41 (§ 58.1-4100 et seq.); (iv) playing any skill game machine authorized under the provisions of this chapter; (v) participating in charitable gaming, as defined in § 18.2-340.16; (vi) participating in fantasy contests, as defined in § 59.1-556; or (vii) wagering on horse racing, as defined in § 59.1-365. Any state agency, at the request of the Department, shall assist in administering the voluntary exclusion program pursuant to the provisions of this section.*

*C. A person who participates in the voluntary exclusion program may choose an exclusion period of two years, five years, or lifetime.*

*D. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion program may not petition the Board for removal from the voluntary exclusion program for the duration of his exclusion period.*

*E. The name of a person participating in the voluntary exclusion program shall be included on a list of excluded persons. The list of persons entering the voluntary exclusion program and the personal information of the participants shall be confidential, except that dissemination of such information by the Board to the entity that manages its skill game accounting system established pursuant to § 58.1-4215 and any other parties the Department deems necessary for purposes of enforcement shall be allowed. The list and the personal information of participants in the voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon request by the participant and agreement by the Board.*

**§ 58.1-4210. Requirements for establishments; limits on number of skill game machines; advertising; civil penalty.**

*A. No operator shall locate more than four skill game machines in any ABC retail licensee establishment or more than 10 skill game machines in any truck stop establishment.*

*B. No establishment shall use the term "casino" in its entity name, in any advertisement in association with its product or service, or in any manner prohibited by Board regulation. Any establishment that violates the provisions of this subsection shall be subject to a civil penalty of not more than \$50,000. The Director shall enforce the provisions of this subsection. All penalties collected pursuant to this subsection shall accrue to the general fund.*

*C. In an effort to promote responsible gaming by players, establishments shall:*

*1. Affix to a clearly visible and conspicuous location on each skill game machine a label that bears a toll-free number for problem gambling assistance that has been approved by the Virginia Council on Problem Gambling or other organizations that provide assistance to problem gamblers;*

*2. Provide informational leaflets or other similar materials in the gaming area in close proximity to the skill game machines on the dangers associated with problem gambling;*

*3. If the establishment holds a license from the Virginia Alcoholic Beverage Control Authority to sell alcoholic beverages pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1, train its employees to identify patrons who have consumed excessive amounts of alcohol to prevent such patrons from continuing to engage in wagering activity while impaired; and*

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*4. Comply with any Board regulations regarding player self-exclusion programs that are consistent with, and do not exceed, those applicable to lottery sales.*

***§ 58.1-4211. Restriction on age of player; attachment of notice to skill game machine; penalty.***

*A. No person younger than 21 years of age shall be eligible to operate a skill game machine regulated pursuant to this chapter. A distributor shall adhere to the front of all skill game machines a notice in 16-point Times New Roman bold font the following notice: "It is unlawful for any person under the age of 21 to play this game."*

*B. No establishment registered with the Board shall knowingly allow any person younger than 21 years of age to play any skill game machine or redeem any winnings from the operation of a skill game machine. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.*

***§ 58.1-4212. Inducement prohibited.***

*A. No distributor or operator shall offer to or otherwise provide any inducement to any establishment.*

*B. An inducement shall not include costs paid by an operator related to:*

*1. Costs for structural changes or modular materials or equipment or to maintain the security of the gaming area, the skill game machines, and ticket redemption terminals, provided, however, that any changes costing in excess of \$5,000 may be shared equally between the operator and the establishment or truck stop.*

*2. Surveillance equipment, alarm systems, and similar equipment or systems intended to monitor and secure the skill game machines, the ticket redemption terminals, and the gaming area.*

*3. Any wiring or rewiring of the gaming area necessary to operate skill game machines, ticket redemption terminals, or ancillary equipment.*

*4. Any software updates to the skill game machines or ticket redemption terminals or ongoing maintenance of skill game machines, ticket redemption terminals, network connections, site controllers, chairs, tables, supports, or other ancillary equipment necessary to operate the skill game machines and the ticket redemption terminals in the gaming area.*

*5. Any requirement established by the Board regarding minimum standards for the operation of skill game machines, ticket redemption terminals, or the gaming area that the Board determines may be paid for, in whole or in part, by the operator.*

*C. Any person that violates the provisions of this section shall be subject to a civil penalty of up to \$25,000 per offense. The Board may implement additional penalties as deemed necessary, including and up to revocation of any license granted pursuant to the provisions of this chapter.*

***§ 58.1-4213. Minimum requirements for use agreements between establishment and operator; division of revenue.***

*A. No operator may place, operate, or maintain skill game machines on the premises of an establishment unless the operator and the establishment have entered into a use agreement that sets forth the terms and conditions for the placement, operation, and maintenance of such machines in compliance with this chapter and the regulations adopted by the Board.*

*B. A copy of the use agreement shall be maintained in the business office of both the operator and the establishment and shall be available at all times for inspection by the Director. An*

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*operator shall file a copy of any such use agreement with the Director within 30 days after the execution of such agreement.*

*C. The use agreement shall be exclusive between one establishment and one operator.*

*D. The use agreement shall be valid for a term of not less than three years, and not more than five years.*

*E. No person other than the operator and establishment that are parties to the use agreement shall receive any portion of gross receipts generated from an establishment's premises, except as approved by the Director in compliance with applicable regulations adopted by the Board.*

*F. No operator or any affiliate of any operator shall lease real property to an establishment.*

**§ 58.1-4214. Minimum requirements of skill game machines.**

*In addition to meeting the definition of skill game machine established in § 58.1-4200, skill game machines shall:*

*1. Show the rules of play for each game in a way that adequately describes or displays such information so that a reasonable person could understand the game;*

*2. Accept only cash payments or tickets generated from skill game machines that may be redeemed for play at another skill game machine located on the same premises;*

*3. Prohibit the modification of the rules of play for a game, including the probability and award of a game outcome, once a game is initiated;*

*4. Prohibit the remote modification or manipulation of games, except as required or approved by the Director pursuant to the provisions of this chapter;*

*5. Have an identification badge affixed to the exterior of the device by the manufacturer that is not removable without leaving evidence of tampering. Such badge shall include the following information:*

*a. The name of the manufacturer;*

*b. A unique serial number;*

*c. The device model number; and*

*d. The date of manufacture;*

*6. Contain a skill game accounting system with sufficient memory capacity, as certified by the laboratory software review, to insure regulatory oversight of accurate gross receipts and tax collection as required under this chapter;*

*7. Have a currency storage area that is secured by locks before the currency can be removed and that is only accessible by the operator;*

*8. Make payments to successful players by issuing a voucher that can be redeemed for cash at the establishment's ticket redemption terminal;*

*9. Be connected to the skill game accounting system established and operated by the Department under the provisions of § 58.1-4215; and*

*10. Have the ability to detect and display the machine's complete play history and winnings for the previous 10 games.*

**§ 58.1-4215. Requirement for skill game accounting system.**

*Each skill game machine and ticket redemption terminal being operated in the Commonwealth shall be connected to a skill game accounting system established and operated by the Department. All skill game machines shall automatically disable upon being disconnected from the skill game accounting system. The skill game accounting system shall be laboratory certified*

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*as limited to the functions required by this chapter and not requiring any alterations of the features that differentiate skill game machines from electronic games of chance.*

*The skill game accounting system shall, at a minimum, collect the following information from each device: (i) cash in; (ii) payouts; (iii) points, credits, or amounts played; (iv) points, credits, or amounts won; (v) power failures, disconnections from the skill game accounting system, and malfunctions; (vi) remote activations and disabling; and (vii) any other information solely necessary for the accurate collection of taxation established under this chapter. However, the skill game accounting system shall not be able to control or in any way alter the play of any skill game machine.*

*The skill game accounting system shall not provide for the monitoring or reading of personal or financial information concerning players of skill game machines.*

**§ 58.1-4216. Tax on gross receipts; distribution of gross receipts and net revenue.**

*A. Distributors shall remit to the Department a monthly tax equal to 25 percent of the gross receipts for each skill game machine that such distributor provided for play during the previous month.*

*B. The Department shall allocate the gross receipts tax collected pursuant to subsection A as follows:*

*1. Two percent to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2;*

*2. Six percent to the Department to cover the costs incurred in administering the provisions of this section and, of the amounts remaining after such allocation to the Department, to the Board for the purposes of implementing this chapter;*

*3. Fifteen percent to the Department for distribution to the localities in which skill game machines are located;*

*4. One percent to the law-enforcement agencies that have primary law-enforcement responsibilities in any locality in which skill game machines are located;*

*5. One percent to the Department of State Police to be used by the Office of the Gaming Enforcement Coordinator established pursuant to § 52-54; and*

*6. Seventy-five percent to the PreK-12 Priority Fund established pursuant to § 58.1-4207.*

*C. Allocation of funds by the Department pursuant to this section shall occur no later than 60 days after such funds are collected.*

*D. Each distributor shall, no later than the twentieth day of the succeeding month, file with the Board on such form prescribed by the Board (i) the total amount of gross receipts generated by each skill game machine that such distributor provided for play during the previous month and (ii) the total amount of the gross receipts tax paid by such distributor to the Department for the preceding month.*

**§ 58.1-4217. Limited disclosure of information permitted.**

*Notwithstanding the provisions of § 58.1-3, the Department shall be permitted to disclose information to the Board regarding the tax remitted by any distributor pursuant to this chapter.*

**§ 58.1-4218. Seizure of unlawful skill game machines; civil penalties.**

*A. In addition to the penalties provided for in § 58.1-4203, any person or employee of such person who knowingly violates any provision of this chapter shall be liable for a civil penalty of not more than \$25,000 for each such violation. Such amount shall be recovered in a civil action*

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*brought by the Board and paid into the Virginia Small Business Economic Development Fund established in § 58.1-4206.*

*B. In the event that a law-enforcement agency or the Board makes a determination that, other than as expressly provided for in this chapter or otherwise allowed by law, any other skill game machine is placed, exists, or is in operation in any establishment in violation of this chapter or the laws of the Commonwealth, including the operation of more than the maximum number of skill game machines authorized pursuant to § 58.1-4210, the law-enforcement agency or the Board may seize any such device pursuant to § 18.2-331.1, and the distributor, operator, or establishment shall be subject to a civil penalty of not less than \$25,000 nor more than \$100,000 per device.*

***§ 58.1-4219. Skill game machines operated pursuant to this chapter not illegal gambling.***

*Nothing contained in Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 shall be applicable to a skill game machine operated in accordance with this chapter. The award of any prize money for the operation of any skill game machine shall not be deemed to be part of any gaming contract within the purview of § 11-14.*

**11. That, by July 1, 2027, the Virginia Lottery Board (the Board) shall adopt regulations necessary to implement the provisions of this act. The Board's initial adoption of such regulations shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board shall provide an opportunity for public comment on the regulations prior to adoption. The Board shall certify in writing to the Virginia Code Commission the date of final adoption of such regulations.**

**12. That, notwithstanding the provisions of the first enactment of this act to the contrary, beginning on and after July 1, 2026, and until the Virginia Lottery Board (the Board) adopts the regulations necessary to implement the provisions of this act pursuant to the second enactment of this act, the provisions of the first enactment of this act shall be administered by the Virginia Alcoholic Beverage Control Authority (the Authority), which may issue a provisional registration to any entity that provides a laboratory certification from a laboratory approved by the Authority that the game being distributed, operated, or placed in an establishment is a skill game machine as defined in § 58.1-4200 of the Code of Virginia, as created by this act. During the Authority's administration of such provisions, the Authority shall be vested with all powers and duties of the Board that are necessary for such administration of the provisions of the first enactment of this act. The Authority shall adopt regulations for the issuance and administration of any provisional registration that are consistent with the provisions of Chapter 42 (§ 58.1-4200 et seq. of Title 58.1 of the Code of Virginia), as created by this act, with such regulations to be effective on July 1, 2026. The Authority's regulations shall be exempt from the Administrative Process Act (§ 2.2-4200 et seq. of the Code of Virginia), except that the Authority shall provide an opportunity for public comment on the regulations prior to adoption. Each application for a provisional registration shall be accompanied by a provisional registration fee payable to the Authority to defray the costs associated with the implementation, monitoring, monthly reporting, and enforcement associated with provisional registrants. The provisional registration fees shall be as follows: (i) \$500,000 for a distributor; (ii) \$100,000 for an operator; and (iii) \$250 for an establishment. In**

**addition, the Authority may require an annual registration renewal fee after 12 months as follows: (a) \$250,000 for a distributor; (b) \$10,000 for an operator; and (c) \$100 for an establishment. During the time period when the Authority's regulations are effective, it shall receive six percent of the gross receipts tax to further defray the costs associated the implementation, monitoring, monthly reporting, and enforcement associated with provisional registrants. The Authority's regulations for the provisional registrations shall expire upon the final adoption of the regulations adopted by the Board pursuant to the third enactment of this act. Any valid and active provisional registrations issued by the Authority pursuant to this enactment shall remain valid until their expiration date and shall be considered to have been issued by the Board. Distributing, operating, or hosting any skill game machine at any time between July 1, 2026, and the date upon which the regulations necessary to implement the provisions of this act are adopted by the Board pursuant to the second enactment of this act without obtaining a provisional registration from the Authority pursuant to this enactment may permanently disqualify a person from obtaining a registration from the Board pursuant to the first enactment of this act. Any such disqualification shall be within the sole discretion of the Board. After a hearing with 15 days' notice, the Authority may suspend or revoke any registration or impose on any distributor, operator, or establishment a civil penalty of not more than \$25,000 for each violation of this enactment, not to exceed \$100,000, in any case where a violation has been shown by a preponderance of the evidence. If any such registration is suspended or revoked, the Authority shall state its reasoning for doing so, which shall be entered of record. Such action shall be final unless appealed in accordance with § 58.1-4204 of the Code of Virginia, as created by this act. Suspension or revocation of a registration issued by the Authority for any violation shall not preclude civil liability for such violation. All civil penalties shall be paid to the Authority to defray the costs associated with enforcement. In addition to the aforementioned suspension and revocation of registration and levy of civil penalties, any person or employee of such person who knowingly violates any provision of this enactment shall be liable for a civil penalty of not more than \$25,000 for each such violation. Such amount shall be recovered in a civil action brought by the Authority and paid to Authority to defray the costs associated with enforcement. In the event that a law-enforcement agency or the Authority makes a determination that, other than as expressly provided for in this enactment or otherwise allowed by law, any other skill game machine is placed, exists, or is in operation in any establishment in violation of this enactment or the laws of the Commonwealth, including the operation of more than the maximum number of skill game machines authorized pursuant to this enactment, the law-enforcement agency or the Authority may seize any such device pursuant to § 18.2-331.1 of the Code of Virginia, and the distributor, operator, or establishment shall be subject to a civil penalty of not less than \$25,000 nor more than \$100,000 per machine, which shall be paid to the Authority to defray the costs associated with enforcement.**

**13. That, notwithstanding the provisions of § 58.1-3 of the Code of Virginia, the Department of Taxation shall disclose information to the Virginia Lottery Board (the Board) and to the Virginia Alcoholic Beverage Control Authority until the Board adopts the regulations necessary to implement the provisions of this act pursuant to the second**

**enactment of this act regarding the tax remitted by any distributor pursuant to § 58.1-4216 of the Code of Virginia, as created by this act.**

**14. That § 18.2-334.6 of the Code of Virginia is repealed."**

**Explanation:**

(This amendment establishes the Virginia Small Business Economic Development Act for the purpose of providing a regulatory and registration scheme for skill game machines in the Commonwealth. This enactment language is identical to Senate Bill 212 of the 2024 General Assembly as passed by the House and Senate. The amendment authorizes and specifies the registration requirements for the distribution, operation, hosting, and play of skill game machines, as defined in the enactment. It imposes a 25 percent tax on the gross receipts from the play of each skill game machine from each distributor and provides for the use of such tax proceeds, with most being deposited into the PreK-12 Priority Fund. The enactment directs the Virginia Lottery Board to promulgate regulations no later than July 1, 2027, to implement the provisions of the bill and authorizes the Virginia Alcoholic Beverage Control Authority to grant a provisional registration, beginning July 1, 2026 until Lottery promulgates regulation, to any entity that provides a laboratory certification from a laboratory approved by the Authority that the game being distributed, operated, or placed in an establishment meets the definition and requirements of a skill game machine.)

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Item 4-14 #3s

**Effective Date**

Effective Date

Language

**Language:**

Page 731, after line 1, insert:

**"15. 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.

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"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

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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

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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

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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

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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

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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,

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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,

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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

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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

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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.**

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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 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.

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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 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 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

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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

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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 revenue from this tax shall be used solely for capital projects for new construction or major renovation of schools in 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.)

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Item 4-14 #4s

**Effective Date**

Effective Date

Language

**Language:**

Page 731, after line 1, insert:

**"16. That § 59.1-391 of the Code of Virginia is amended and reenacted as follows:**

**§ 59.1-391. Local referendum required.**

~~The~~ A. *Except as provided in subsection B, the Commission shall not grant any initial license to construct, establish, operate or own a racetrack or satellite facility until a referendum approving the question is held in each county, city, or town in which such track or satellite facility is to be located, in the following manner:*

1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall pari-mutuel wagering be permitted at a licensed racetrack in (name of such county, city, or town) on live horse racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on such days as may be approved by the Virginia Racing Commission in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?" In addition, or in the alternative, such petition may ask that a referendum be held on the question, "Shall pari-mutuel wagering be permitted in \_\_\_\_\_ (the name of such county, city, or town) at satellite facilities in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?"

2. Following the filing of such petition, the court shall, by order of record entered in accordance with § 24.2-684.1, require the regular election officers of such city, county, or town to cause a

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special election to be held to take the sense of the qualified voters on the question. Such election shall be on a day designated by order of such court, but shall not be later than the next general election unless such general election is within 60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.

3. The clerk of such court of record of such city, county, or town shall publish notice of such election in a newspaper of general circulation in such city, county, or town once a week for three consecutive weeks prior to such election.

4. The regular election officers of such city or county shall open the polls at the various voting places in such city or county on the date specified in such order and conduct such election in the manner provided by law. The election shall be by ballot which shall be prepared by the electoral board of the city, county, or town and on which shall be printed either or both of the following questions:

"Shall pari-mutuel wagering be permitted at a licensed racetrack in \_\_\_\_\_ on live horse racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on such days as may be approved by the Virginia Racing Commission in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?

Yes

No"

"Shall pari-mutuel wagering be permitted in \_\_\_\_\_ at satellite facilities in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?

Yes

No"

In the blank shall be inserted the name of the city, county, or town in which such election is held. Any voter desiring to vote "Yes" shall mark a check (v) mark or a cross (v or +) mark or a line (-) in the square provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark a check (v) mark or a cross (v or +) mark or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

The ballots shall be counted, returns made and canvassed as in other elections, and the results certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to the Commission and to the governing body of such city, county, or town. No such referendum as described above shall be held more often than every three years in the same county, city, or town.

A subsequent local referendum shall be required if a license has not been granted by the Commission within five years of the court order proclaiming the results of the election. Town, for purposes of this section, means any town with a population of 5,000 or more.

*B. Notwithstanding subsection A and any provision of law or regulation to the contrary, for any city, county, or town (i) that has not passed a referendum authorizing pari-mutuel wagering pursuant to subsection A on or after July 1, 2018, and (ii) in which no pari-mutuel wagering at satellite facilities on historical horse racing was authorized by the Commission on or before January 1, 2025, the Commission shall not authorize a licensee to construct, establish, operate,*

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or own a satellite facility until a referendum approving the question is held on or after July 1, 2025, in such county, city, or town in which such satellite facility is to be located, in the following manner:

1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall pari-mutuel wagering on historical horse racing be permitted in \_\_\_\_\_ (the name of such county, city, or town) at satellite facilities in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?"

2. Following the filing of such petition, the court shall, by order of record entered in accordance with § 24.2-684.1, require the regular election officers of such city, county, or town to cause a special election to be held to take the sense of the qualified voters on the question. Such election shall be on a day designated by order of such court, but shall not be later than the next general election unless such general election is within 60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.

3. The clerk of such court of record of such city, county, or town shall publish notice of such election in a newspaper of general circulation in such city, county, or town once a week for three consecutive weeks prior to such election.

4. The regular election officers of such city or county shall open the polls at the various voting places in such city or county on the date specified in such order and conduct such election in the manner provided by law. The election shall be by ballot which shall be prepared by the electoral board of the city, county, or town and on which shall be printed either or both of the following questions:

"Shall pari-mutuel wagering on historical horse racing be permitted in \_\_\_\_\_ at satellite facilities in accordance with Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia?

Yes

No"

In the blank shall be inserted the name of the city, county, or town in which such election is held. Any voter desiring to vote "Yes" shall mark a check (v) mark or a cross (v or +) mark or a line (-) in the square provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark a check (v) mark or a cross (v or +) mark or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

The ballots shall be counted, returns made and canvassed as in other elections, and the results certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to the Commission and to the governing body of such city, county, or town. No such referendum as described in this subsection shall be held more often than every five years in the same county, city, or town.

The provisions of this subsection shall not apply to the City of Emporia, City of Hampton, City of Richmond, the County of New Kent, the Town of Collinsville, Town of Dumfries, or the Town of Vinton."

**Explanation:**

(This amendment requires that the Virginia Racing Commission not authorize a licensee to construct, establish, operate, or own a satellite facility until a referendum approving the question is held on or after July 1, 2025 if such locality has not passed a referendum allowing pari-mutuel wagering on or after July 1, 2018, and no pari-mutuel wagering at satellite facilities was authorized by the Commission on or before January 1, 2025.)

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Item 4-14 #5s

**Effective Date**

Effective Date

Language

**Language:**

Page 732, after line 1, insert:

**"17. That the Code of Virginia is amended by adding in Title 2.2 a chapter numbered 55.6, consisting of a section numbered § 2.2-5517 as follows:**

***§ 2.2-5517. Right to intervene in the interests of the Commonwealth***

*A. The Speaker of the House of Delegates and the President pro tempore of the Senate of Virginia shall have the right to intervene as parties and shall have standing to represent the interests of the Commonwealth in any proceeding in which (i) a provision or provisions of the Constitution of Virginia are contested or are at issue, or (ii) the constitutionality, legality, or application of a Virginia law established under legislative authority is at issue. If there is a legislative intervenor, the Attorney General may only compromise or settle an action with injunctive relief or a consent decree with the approval of such legislative intervenor. If the Attorney General wishes to compromise or settle an action with injunctive relief or a consent decree and there is no legislative intervenor, the Attorney General must give 21 days notice to the Speaker of the House of Delegates and the Majority Leader of the Senate of Virginia prior to offering such settlement, including a copy of the proposed settlement plan.*

*B. The Chair of the House Committee on Appropriations and the Chair of the Senate Committee on Finance and Appropriations may bring suit for equitable relief if the Governor refuses to disburse, implement, follow, or comply with an enactment of the General Assembly appropriating funds. They shall also have the right to intervene as parties and shall have standing to represent the interests of the Commonwealth in any such proceeding brought by another party.*

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*C. The Speaker of the House of Delegates and the President pro tempore of the Senate of Virginia may bring a suit for equitable relief if the Governor has refused to implement, follow, or comply with any enactment of the General Assembly that does not appropriate funds. They shall also have the right to intervene as parties and shall have standing to represent the interests of the Commonwealth in any such proceeding brought by another party."*

Page 732, line 4, strike "and".

Page 732, line 4, after "**sixteenth**," insert "**seventeenth**,"

**Explanation:**

(This amendment amends the Code of Virginia to ensure that the Speaker of the House of Delegates, the President pro tempore of the Senate of Virginia, and the Chairs of House Appropriations and Senate Finance and Appropriations Committees have the right to intervene as parties and shall have standing to represent the interests of the Commonwealth in any proceeding.)

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Item 4-14 #6s

**Effective Date**

Effective Date

Language

**Language:**

Page 732, after line 1, insert:

**"18. That § 65.2-107 of the Code of Virginia is amended and reenacted as follows:**

**§ 65.2-107. Post-traumatic stress disorder, anxiety disorder, or depressive disorder incurred by law-enforcement officers and firefighters.**

A. As used in this section:

"Anxiety disorder" means a disorder that meets the diagnostic criteria for one or more of the anxiety disorders specified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

"Depressive disorder" means a disorder that meets the diagnostic criteria for one or more of the depressive disorders specified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

"Firefighter" means any (i) salaried firefighter, including special forest wardens designated pursuant to § 10.1-1135, emergency medical services personnel, and local or state fire scene investigator and (ii) volunteer firefighter and volunteer emergency medical services personnel.

"In the line of duty" means any action that a law-enforcement officer or firefighter was

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obligated or authorized to perform by rule, regulation, written condition of employment service, or law.

"Law-enforcement officer" means any (i) member of the State Police Officers' Retirement System; (ii) member of a county, city, or town police department; (iii) sheriff or deputy sheriff; (iv) Department of Emergency Management hazardous materials officer; (v) city sergeant or deputy city sergeant of the City of Richmond; (vi) Virginia Marine Police officer; (vii) conservation police officer who is a full-time sworn member of the enforcement division of the Department of Wildlife Resources; (viii) Capitol Police officer; (ix) special agent of the Virginia Alcoholic Beverage Control Authority appointed under the provisions of Chapter 1 (§ 4.1-100 et seq.) of Title 4.1; (x) for such period that the Metropolitan Washington Airports Authority voluntarily subjects itself to the provisions of this chapter as provided in § 65.2-305, officer of the police force established and maintained by the Metropolitan Washington Airports Authority; (xi) officer of the police force established and maintained by the Norfolk Airport Authority; (xii) sworn officer of the police force established and maintained by the Virginia Port Authority; or (xiii) campus police officer appointed under Article 3 (§ 23.1-809 et seq.) of Chapter 8 of Title 23.1 and employed by any public institution of higher education.

"Mental health professional" means a board-certified psychiatrist or a psychologist licensed pursuant to Title 54.1 who has experience diagnosing and treating post-traumatic stress disorder.

"Post-traumatic stress disorder" means a disorder that meets the diagnostic criteria for post-traumatic stress disorder as specified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

"Qualifying event" means an incident or exposure occurring in the line of duty on or after July 1, 2020, for post-traumatic stress disorder, and for purposes of subdivisions 1 through 4 of this definition, on or after July 1, 2023, for anxiety disorder or depressive disorder:

1. Resulting in serious bodily injury or death to any person or persons;
2. Involving a minor who has been injured, killed, abused, or exploited;
3. Involving an immediate threat to life of the claimant or another individual;
4. Involving mass casualties; or
5. Responding to crime scenes for investigation.

B. Post-traumatic stress disorder, anxiety disorder, or depressive disorder incurred by a law-enforcement officer or firefighter is compensable under this title if:

1. A mental health professional examines a law-enforcement officer or firefighter and diagnoses the law-enforcement officer or firefighter as suffering from post-traumatic stress disorder, anxiety disorder, or depressive disorder as a result of the individual's undergoing a qualifying event;
2. The post-traumatic stress disorder, anxiety disorder, or depressive disorder resulted from the law-enforcement officer's or firefighter's acting in the line of duty and, in the case of a firefighter, such firefighter complied with federal Occupational Safety and Health Act standards adopted pursuant to 29 C.F.R. 1910.134 and 29 C.F.R. 1910.156;
3. The law-enforcement officer's or firefighter's undergoing a qualifying event was a substantial

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factor in causing his post-traumatic stress disorder, anxiety disorder, or depressive disorder;  
4. Such qualifying event, and not another event or source of stress, was the primary cause of the post-traumatic stress disorder, anxiety disorder, or depressive disorder; and  
5. The post-traumatic stress disorder, anxiety disorder, or depressive disorder did not result from any disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action of the law-enforcement officer or firefighter.  
Any such mental health professional shall comply with any workers' compensation guidelines for approved medical providers, including guidelines on release of past or contemporaneous medical records.

C. Notwithstanding any provision of this title, workers' compensation benefits for any law-enforcement officer or firefighter payable pursuant to this section shall (i) include any combination of medical treatment prescribed by a board-certified psychiatrist or a licensed psychologist, temporary total incapacity benefits under § 65.2-500, and temporary partial incapacity benefits under § 65.2-502 and (ii) be provided for a maximum of ~~52~~ 104 weeks from the date of diagnosis. No medical treatment, temporary total incapacity benefits under § 65.2-500, or temporary partial incapacity benefits under § 65.2-502 shall be awarded beyond four years from the date of the qualifying event that formed the basis for the claim for benefits under this section. The weekly benefits received by a law-enforcement officer or a firefighter pursuant to § 65.2-500 or 65.2-502, when combined with other benefits, including contributory and noncontributory retirement benefits, Social Security benefits, and benefits under a long-term or short-term disability plan, but not including payments for medical care, shall not exceed the average weekly wage paid to such law-enforcement officer or firefighter.

D. No later than January 1, 2021, each employer of law-enforcement officers or firefighters shall (i) make peer support available to such law-enforcement officers and firefighters and (ii) refer a law-enforcement officer or firefighter seeking mental health care services to a mental health professional.

E. Each fire basic training program conducted or administered by the Department of Fire Programs or a municipal fire department in the Commonwealth shall provide, in consultation with the Department of Behavioral Health and Developmental Services, resilience and self-care technique training for any individual who begins basic training as a firefighter on or after July 1, 2021."

Page 732, line 4, strike "and".

Page 732, line 4, after "sixteenth", insert "eighteenth,".

**Explanation:**

(This amendment amends the Code of Virginia to increase from 52 weeks to 104 weeks the maximum duration after the date of diagnosis that workers' compensation benefits are payable

for anxiety disorder, depressive disorder, and post-traumatic stress disorder incurred by law-enforcement officers and firefighters acting in the line of duty.)

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Item 4-14 #7s

**Effective Date**

Effective Date

Language

**Language:**

Page 732, after line 1, insert:

**"19. That § 58.1-609.3 of the Code of Virginia is amended and reenacted as follows:**

**§ 58.1-609.3. Commercial and industrial exemptions.**

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Personal property purchased by a contractor which is used solely in another state or in a foreign country, which could be purchased by such contractor for such use free from sales tax in such other state or foreign country, and which is stored temporarily in Virginia pending shipment to such state or country.
2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of tangible personal property for resale where such industrial materials either enter into the production of or become a component part of the finished product; (ii) industrial materials that are coated upon or impregnated into the product at any stage of its being processed, manufactured, refined, or converted for resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in processing, manufacturing, refining, mining or converting products for sale or resale. The provisions of this subsection do not apply to the drilling or extraction of oil, gas, natural gas and coalbed methane gas. In addition, the exemption provided herein shall not be applicable to any machinery, tools, and equipment, or any other tangible personal property used by a public service corporation in the generation of electric power, except for raw materials that are inputs to production of electricity, including fuel, or for machinery, tools, and equipment used to generate energy derived from sunlight or wind. The exemption for machinery, tools, and equipment used to generate energy derived from sunlight or wind shall expire June 30, 2027.
3. Tangible personal property sold or leased to a public service corporation engaged in business as a common carrier of property or passengers by railway, for use or consumption by such common carrier directly in the rendition of its public service.
4. Ships or vessels, or repairs and alterations thereof, used or to be used exclusively or

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principally in interstate or foreign commerce; fuel and supplies for use or consumption aboard ships or vessels plying the high seas, either in intercoastal trade between ports in the Commonwealth and ports in other states of the United States or its territories or possessions, or in foreign commerce between ports in the Commonwealth and ports in foreign countries, when delivered directly to such ships or vessels; or tangible personal property used directly in the building, conversion or repair of the ships or vessels covered by this subdivision. This exemption shall include dredges, their supporting equipment, attendant vessels, and fuel and supplies for use or consumption aboard such vessels, provided the dredges are used exclusively or principally in interstate or foreign commerce.

5. Tangible personal property purchased for use or consumption directly and exclusively in basic research or research and development in the experimental or laboratory sense.

6. Notwithstanding the provisions of subdivision 20 of § 58.1-609.10, all tangible personal property sold or leased to an airline operating in intrastate, interstate or foreign commerce as a common carrier providing scheduled air service on a continuing basis to one or more Virginia airports at least one day per week, for use or consumption by such airline directly in the rendition of its common carrier service.

7. Meals furnished by restaurants or food service operators to employees as a part of wages.

8. Tangible personal property including machinery and tools, repair parts or replacements thereof, and supplies and materials used directly in maintaining and preparing textile products for rental or leasing by an industrial processor engaged in the commercial leasing or renting of laundered textile products.

9. Certified pollution control equipment and facilities as defined in § 58.1-3660, except for any equipment that has not been certified to the Department of Taxation by a state certifying authority or subdivision certifying authority pursuant to such section.

10. Parts, tires, meters and dispatch radios sold or leased to taxicab operators for use or consumption directly in the rendition of their services.

11. High speed electrostatic duplicators or any other duplicators which have a printing capacity of 4,000 impressions or more per hour purchased or leased by persons engaged primarily in the printing or photocopying of products for sale or resale.

12. From July 1, 1994, and ending July 1, 2024, raw materials, fuel, power, energy, supplies, machinery or tools or repair parts therefor or replacements thereof, used directly in the drilling, extraction, or processing of natural gas or oil and the reclamation of the well area. For the purposes of this section, the term "natural gas" shall mean "gas," "natural gas," and "coalbed methane gas" as defined in § 45.2-1600. For the purposes of this section, "drilling," "extraction," and "processing" shall include production, inspection, testing, dewatering, dehydration, or distillation of raw natural gas into a usable condition consistent with commercial practices, and the gathering and transportation of raw natural gas to a facility wherein the gas is converted into such a usable condition. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in the drilling, extraction, refining, or processing of natural gas or oil for sale or resale, or in well area reclamation activities required by state or federal law.

13. Beginning July 1, 1997, (i) the sale, lease, use, storage, consumption, or distribution of an orbital or suborbital space facility, space propulsion system, space vehicle, satellite, or space

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station of any kind possessing space flight capability, including the components thereof, irrespective of whether such facility, system, vehicle, satellite, or station is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (ii) the sale, lease, use, storage, consumption or distribution of tangible personal property placed on or used aboard any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind, irrespective of whether such tangible personal property is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (iii) fuels of such quality not adapted for use in ordinary vehicles, being produced for, sold and exclusively used for space flight when used to conduct spaceport activities; (iv) the sale, lease, use, storage, consumption or distribution of machinery and equipment purchased, sold, leased, rented or used exclusively for spaceport activities and the sale of goods and services provided to operate and maintain launch facilities, launch equipment, payload processing facilities and payload processing equipment used to conduct spaceport activities.

For purposes of this subdivision, "spaceport activities" means activities directed or sponsored at a facility owned, leased, or operated by or on behalf of the Virginia Commercial Space Flight Authority.

The exemptions provided by this subdivision shall not be denied by reason of a failure, postponement or cancellation of a launch of any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind or the destruction of any launch vehicle or any components thereof.

14. Semiconductor cleanrooms or equipment, fuel, power, energy, supplies, or other tangible personal property used primarily in the integrated process of designing, developing, manufacturing, or testing a semiconductor product, a semiconductor manufacturing process or subprocess, or semiconductor equipment without regard to whether the property is actually contained in or used in a cleanroom environment, touches the product, is used before or after production, or is affixed to or incorporated into real estate.

15. Semiconductor wafers for use or consumption by a semiconductor manufacturer.

16. Railroad rolling stock when sold or leased by the manufacturer thereof.

17. Computer equipment purchased or leased on or before June 30, 2011, used in data centers located in a Virginia locality having an unemployment rate above 4.9 percent for the calendar quarter ending November 2007, for the processing, storage, retrieval, or communication of data, including but not limited to servers, routers, connections, and other enabling hardware when part of a new investment of at least \$75 million in such exempt property, when such investment results in the creation of at least 100 new jobs paying at least twice the prevailing average wage in that locality, so long as such investment was made in accordance with a memorandum of understanding with the Virginia Economic Development Partnership Authority entered into or amended between January 1, 2008, and December 31, 2008. The exemption shall also apply to any such computer equipment purchased or leased to upgrade, add to, or replace computer equipment purchased or leased in the initial investment. The exemption shall not apply to any computer software sold separately from the computer equipment, nor shall it apply to general building improvements or fixtures.

18. a. Beginning July 1, 2010, and ending June 30, 2035, except as provided in subdivision 19,

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computer equipment or enabling software purchased or leased for the processing, storage, retrieval, or communication of data, including but not limited to servers, routers, connections, and other enabling hardware, including chillers and backup generators used or to be used in the operation of the equipment exempted in this paragraph, provided that such computer equipment or enabling software is purchased or leased for use in a data center, which includes any data center facilities located in the same locality as the data center that are under common ownership or affiliation of the data center operator, that (i) is located in a Virginia locality; (ii) results in a new capital investment on or after January 1, 2009, of at least \$150 million; and (iii) results in the creation on or after July 1, 2009, of at least 50 new jobs by the data center operator and the tenants of the data center, collectively, associated with the operation or maintenance of the data center provided that such jobs pay at least one and one-half times the prevailing average wage in that locality. The requirement of at least 50 new jobs is reduced to 10 new jobs if the data center is located in a distressed locality at the time of the execution of a memorandum of understanding with the Virginia Economic Development Partnership Authority. Additionally, the requirement of a \$150 million capital investment shall be reduced to \$70 million for data centers that qualify for the reduced jobs requirement.

This exemption applies to the data center operator and the tenants of the data center if they collectively meet the requirements listed in this section. Prior to claiming such exemption, any qualifying person claiming the exemption, including a data center operator on behalf of itself and its tenants, must enter into a memorandum of understanding with the Virginia Economic Development Partnership Authority that at a minimum provides the details for determining the amount of capital investment made and the number of new jobs created, the timeline for achieving the capital investment and new job goals, the repayment obligations should those goals not be achieved, and any conditions under which repayment by the qualifying data center or data center tenant claiming the exemption may be required. *Such memorandum of understanding shall include the data center operator's method of demonstrating compliance with energy procurement and use requirements described in subdivision c.* In addition, the exemption shall apply to any such computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the initial investment. The exemption shall not apply to any other computer software otherwise taxable under Chapter 6 of Title 58.1 that is sold or leased separately from the computer equipment, nor shall it apply to general building improvements or other fixtures.

b. For purposes of this subdivision 18, "distressed locality" means:

(1) From July 1, 2021, until July 1, 2023, any locality that had (i) an annual unemployment rate for calendar year 2019 that was greater than the final statewide average unemployment rate for that calendar year and (ii) a poverty rate for calendar year 2019 that exceeded the statewide average poverty rate for that year; and

(2) From and after July 1, 2023, any locality that has (i) an annual unemployment rate for the most recent calendar year for which such data is available that is greater than the final statewide average unemployment rate for that calendar year and (ii) a poverty rate for the most recent calendar year for which such data is available that exceeds the statewide average poverty rate for that year.

c. *Beginning July 1, 2025, no purchase or lease shall be exempt pursuant to this subdivision*

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*unless the data center operator demonstrates that (i) its facilities either have a power usage effectiveness (PUE) score of no greater than 1.2 or, for data centers co-located in buildings with other commercial uses that make up more than 20 percent of the square footage of the building, achieve an energy efficiency level of no less than the most efficient 15 percent of similar buildings constructed in the previous five years and (ii) by January 1, 2028, (a) it will procure carbon-free renewable energy and associated renewable energy certificates from facilities located within the area of the transmission grid serving Virginia that are equal to 90 percent of its electricity requirements, measured on an hourly basis, or (b) its electricity will be otherwise derived from non-carbon-emitting, renewable sources. The Virginia Economic Development Partnership Authority shall establish guidelines for calculating the PUE score and determining analogous buildings for comparison pursuant to clause (i). In no case shall a qualifying data center use diesel fuel for onsite power generation after December 31, 2030.*

*d. For so long as a data center operator is claiming an exemption pursuant to this subdivision 18, such operator shall be required to submit an annual report to the Virginia Economic Development Partnership Authority on behalf of itself and, if applicable, its participating tenants that includes their employment levels, capital investments, average annual wages, qualifying expenses, and tax benefit; demonstration of their compliance with energy procurement and use requirements; and such other information as the Virginia Economic Development Partnership Authority determines is relevant, pursuant to procedures developed by the Virginia Economic Development Partnership Authority. The annual report shall be submitted by the data center operator in a format prescribed by the Virginia Economic Development Partnership Authority. The Virginia Economic Development Partnership Authority shall share all information collected with the Department.*

*The Department, in collaboration with the Virginia Economic Development Partnership Authority, shall publish a biennial report on the exemption that shall include aggregate information on qualifying expenses claimed under this exemption, the total value of the tax benefit, a return on investment analysis that includes direct and indirect jobs created by data center investment, state and local tax revenues generated, and any other information the Department and the Virginia Economic Development Partnership Authority deem appropriate to demonstrate the costs and benefits of the exemption. The report shall not include, and the Department and the Virginia Economic Development Partnership Authority shall not publish or disclose, any such information if it is unaggregated or if such report or publication could be used to identify a business or individual. The Department shall submit the report to the Chairmen of the Senate Committee on Finance and Appropriations and the House Committees on Appropriations and Finance. The Virginia Economic Development Partnership Authority may publish on its website and distribute annual information indicating the job creation and ranges of capital investments made by a data center operator and, if applicable, its participating tenants, in a format to be developed in consultation with data center operators.*

*19. a. Notwithstanding any provision of subdivision 18 to the contrary, the exemption set forth in subdivision 18 may be extended for the purchase or lease of computer equipment or enabling software by or on behalf of data center operators for use in data centers in the Commonwealth that are under common ownership or affiliation with the data center operator as set forth in this subdivision 19. For purposes of this subdivision 19, a data center operator shall be considered to*

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own a data center if it is operated on behalf of the data center operator pursuant to a long-term lease of at least ten years.

b. To qualify for an extension pursuant to this subdivision 19, a data center operator shall enter into a memorandum of understanding with the Virginia Economic Development Partnership Authority on or after January 1, 2023, that at a minimum provides the details for determining the amount of capital investment made and the number of new jobs created; the locality or localities in which the capital investment shall be made and new jobs shall be created in order to qualify for the extension; and the timeline for making the capital investment and creating the new jobs in each specified locality. *Such memorandum of understanding shall include the data center operator's method of demonstrating compliance with energy procurement and use requirements described in subdivision 18.* A data center operator shall only be required to enter into one memorandum of understanding pursuant to this subdivision 19 in order to qualify for the extension pursuant to both subdivisions c and d.

c. If on or after January 1, 2023, but before July 1, 2035, a data center operator that has entered into a memorandum of understanding pursuant to subdivision b (i) makes or causes to be made a capital investment of at least \$35 billion in data centers in localities identified in a memorandum of understanding and (ii) creates at least 1,000 new full-time jobs, as defined in § 59.1-284.42, at such data centers, of which at least 100 of such jobs shall pay at least one and one-half times the prevailing average wage in the Commonwealth, the data center operator shall be eligible to continue to utilize the exemption set forth in subdivision 18 through June 30, 2040.

d. If on or after January 1, 2023, but before July 1, 2040, a data center operator that has entered into a memorandum of understanding pursuant to subdivision b (i) makes a total capital investment of at least \$100 billion, inclusive of any investment made pursuant to subdivision c, in data centers in the localities identified in such memorandum of understanding and (ii) creates a total of at least 2,500 new full-time jobs, as defined in § 59.1-284.42, at such data centers, of which at least 100 of such jobs shall pay at least one and one-half times the prevailing average wage in the Commonwealth, inclusive of any new full-time jobs created pursuant to subdivision c, the data center operator shall be eligible to utilize the exemption set forth in subdivision 18 through June 30, 2050.

e. The extension provided in this subdivision 19 shall apply to the computer equipment or enabling software purchased or leased for use in the data centers subject to the capital investment and job requirements set forth herein, as well as to any such computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the initial investment. The extension shall also apply to any computer equipment or software purchased or leased in data centers under common ownership or affiliation with the data center operator for which the data center operator entered into a memorandum of understanding with the Virginia Economic Development Partnership Authority to qualify for the exemption set forth in subdivision 18.

f. The reporting requirements *and energy efficiency requirements* set forth in subdivision 18 shall continue to apply to a data center operator for the duration of any extension granted pursuant to this subdivision 19.

20. If the preponderance of their use is in the manufacture of beer by a brewer licensed pursuant

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to subdivision 3 or 4 of § 4.1-206.1, (i) machinery, tools, and equipment, or repair parts therefor or replacements thereof, fuel, power, energy, or supplies; (ii) materials for future processing, manufacturing, or conversion into beer where such materials either enter into the production of or become a component part of the beer; and (iii) materials, including containers, labels, sacks, cans, bottles, kegs, boxes, drums, or bags for future use, for packaging the beer for shipment or sale.

21. If the preponderance of their use is in advanced recycling, as defined in § 58.1-439.7, (i) machinery, tools, and equipment, or repair parts therefor or replacements thereof, fuel, power, energy, or supplies; (ii) materials for processing, manufacturing, or conversion for resale where such materials either are recycled or recovered; and (iii) materials, including containers, labels, sacks, cans, boxes, drums, or bags used for packaging recycled or recovered material for shipment or resale."

Page 732, line 4, strike "and".

Page 732, line 4, after "sixteenth", insert ",and nineteenth".

**Explanation:**

(This amendment requires data center operators to meet certain energy efficiency standards in order to be eligible for the sales and use tax exemption for data center purchases. A data center operator shall be eligible for the exemption only if such operator demonstrates that (i) its facilities either have a power usage effectiveness score of no greater than 1.2 or, for data centers co-located in buildings with other commercial uses, achieve an energy efficiency level of no less than the most efficient 15 percent of similar buildings constructed in the previous five years and (ii) by January 1, 2028, it will procure carbon-free renewable energy and associated renewable energy certificates equal to 90 percent of its electricity requirements or its electricity will be otherwise derived from non-carbon-emitting, renewable sources.)

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Item 4-14 #8s

**Effective Date**

Effective Date

Language

**Language:**

Page 731, after line 48, insert:

**"20. That the second enactment of Chapter 647 and the second enactment of Chapter 684 of the Acts of Assembly of 2024 are amended and reenacted as follows:**

**2. That the provisions of subsections B, C, and D of § 22.1-237.3 of the Code of Virginia, as created by this act, shall become effective beginning with course registrations for the fall term of the ~~2025~~ 2026 academic year."**

Page 732, line 4, strike "and".

Page 732, line 4, after "sixteenth", insert ", and twentieth".

**Explanation:**

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(This amendment delays the enactment of the College and Career Ready Virginia Program until fall term 2026.)

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Item 4-14 #9s

**Effective Date**

Effective Date

Language

**Language:**

Page 732, after line 1, insert:

**"21. That §§ 58.1-439.29 and 58.1-439.30 of the Code of Virginia are amended and reenacted as follows:**

**§ 58.1-439.29. Definitions.**

As used in this article, unless the context requires a different meaning:

"Authority" means the Virginia Housing Development Authority, or its successor agency.

"Balance of State Pool" means the pool defined within the *Qualified Allocation Plan promulgated by the Authority pursuant to § 42 of the Internal Revenue Code, as amended.*

"Credit period" means the credit period as defined in § 42(f)(1) of the Internal Revenue Code, as amended.

"Eligibility certificate" means a certificate issued by the Authority to the owner of a qualified project certifying that such project qualifies for the Virginia housing opportunity tax credit authorized by this article, and specifying the amount of housing opportunity tax credits that the owner of such qualified project may claim in each year of the credit period. The Authority shall issue an eligibility certificate to a qualified project upon the Authority's approval of a final cost certification that complies with the Authority's requirements.

"Federal low-income housing tax credit" means the federal tax credit as provided in § 42 of the Internal Revenue Code, as amended.

"Housing opportunity tax credit" or "tax credit" means the tax credit created by this article.

"Qualified project" means a qualified low-income building, as defined in § 42(c) of the Internal Revenue Code, as amended, that is located in Virginia, is placed in service on or after January 1, 2021, and is issued an eligibility certificate.

"Qualified taxpayer" means a taxpayer owning an interest, direct or indirect, through one or more pass-through entities, in a qualified project at any time prior to filing a tax return claiming a housing opportunity tax credit.

"Taxpayer" means an individual, corporation, S corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, or nonprofit organization.

"Virginia tax liability" means the income taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10 (§ 58.1-400 et seq.) of this chapter, Chapter 12 (§ 58.1-1200 et seq.), Article 1 (§ 58.1-2500 et seq.) of Chapter 25, and Article 2 (§ 58.1-2620 et seq.) of Chapter 26. An insurance company claiming a housing opportunity tax credit against the taxes, licenses, and other fees, fines, and penalties imposed by Article 1 of Chapter 25, including any retaliatory tax

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imposed on insurance companies by the Code of Virginia, shall not be required to pay any additional tax as a result of claiming the housing opportunity tax credit. The housing opportunity tax credit may fully offset any retaliatory tax imposed by the Code of Virginia.

**§ 58.1-439.30. Virginia housing opportunity tax credit.**

A. Subject to the provisions of subsection H, a housing opportunity tax credit ~~shall~~ *may* be allowed for each qualified project for each year of the credit period, in an amount up to the amount of federal low-income housing tax credit allocated or allowed by the Authority to such qualified project. The credit shall be allowed ratably for each qualified project, with one-tenth of the *total* credit amount allowed annually for 10 years over the credit period, except that there shall be a reduction in the tax credit allowable in the first year of the credit period due to the calculation in 26 U.S.C. § 42(f)(2) and any reduction by reason of 26 U.S.C. § 42(f)(2) in the credit allowable for the first taxable year of the credit period shall be allowable for the first taxable year following the credit period.

B. 1. For taxable years beginning on and after January 1, 2021, but before January 1, ~~2026~~2031, a qualified taxpayer may claim a housing opportunity tax credit against its Virginia tax liability prior to reduction by any other credits allowed the taxpayer. The housing opportunity tax credit may be allocated by pass-through entities to some or all of its partners, members, or shareholders in any manner agreed to by such persons, regardless of whether or not any such person is allocated or allowed any portion of any federal low-income housing tax credit with respect to the qualified project, whether or not the allocation of the housing opportunity tax credit under the terms of the agreement has substantial economic effect within the meaning of § 704(b) of the Internal Revenue Code, and whether any such person is deemed a partner for federal income tax purposes as long as the partner or member would be considered a partner or member as defined under applicable state law, and has been admitted as a partner or member on or prior to the date for filing the qualified taxpayer's tax return, including any amendments thereto, with respect to the year of the housing opportunity tax credit. Such pass-through entities or qualified taxpayer may assign all or any part of its interest, including its interest in the tax credits, to one or more pass-through entities or qualified taxpayers, and the qualified taxpayer shall be able to claim the housing opportunity tax credit so long as its interest is acquired prior to the filing of its tax return claiming the housing opportunity tax credit.

2. If a housing opportunity tax credit has been awarded according to the terms of subsection G prior to January 1, ~~2026~~2031, such credit may continue to be claimed on a return for taxable years on and after January 1, ~~2026~~2031, but only pursuant to the applicable credit period specified in § 58.1-439.29.

C. The housing opportunity tax credit authorized by this article shall not be refundable. Any housing opportunity tax credit not used in a taxable year may be carried forward by a qualified taxpayer for the succeeding five years.

D. A qualified taxpayer claiming a housing opportunity tax credit shall submit a copy of the eligibility certificate at the time of filing its tax return with the Department. If the owner of the qualified project has applied to the Authority for the eligibility certificate but the Authority has not yet issued the eligibility certificate at the time the qualified taxpayer files its original tax return claiming the housing opportunity tax credit, the taxpayer may claim the housing opportunity tax credit based upon the amount of tax credit set forth in the award letter issued by

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the Authority for the housing opportunity tax credit issued to the qualified project and shall amend its tax return to include the eligibility certificate upon its receipt. If the amount of tax credit in the eligibility certificate is different than the amount of tax credit previously claimed, the taxpayer shall adjust the tax credit amount claimed on the amended tax return.

E. If under § 42 of the Internal Revenue Code, as amended, a portion of any federal low-income housing credits taken on a qualified project is required to be recaptured or is otherwise disallowed during the credit period, the taxpayer claiming housing opportunity tax credits with respect to such project shall also be required to recapture a portion of any tax credits authorized by this article. The percentage of housing opportunity tax credits subject to recapture shall be equal to the percentage of federal low-income housing credits subject to recapture or otherwise disallowed during such period. Any tax credits recaptured or disallowed shall increase the income tax liability of the qualified taxpayer who claimed the tax credits in a like amount and shall be included on the tax return of the qualified taxpayer submitted for the taxable year in which the recapture or disallowance event is identified. The balance of any tax credits recaptured or disallowed shall be allocated by the Authority for any qualified project in accordance with subsection G.

F. The Authority shall administer the housing opportunity tax credit program and shall be authorized to promulgate the regulations and guidelines necessary to implement and administer this article. Such regulations and guidelines may include the imposition of application, allocation, certification, and monitoring fees designed to recoup the costs of the Authority in administering the housing opportunity tax credit program.

G. 1. Any housing opportunity tax credit amounts authorized in a calendar year that are subsequently (i) canceled and returned to the Authority or (ii) recaptured or disallowed pursuant to subsection E may be awarded in the following calendar year, but no later than December 31, ~~2025~~2030. If the amount of housing opportunity tax credits authorized in a calendar year for qualified projects is less than the total amount of credits available for qualified projects under subdivision H 2, the balance of such credits, in an amount not greater than 15 percent of the amount of credits available for qualified projects under subdivision H 2, (a) shall be allocated by the Authority for any qualified project in the following calendar year, (b) shall not be allocated at any time after such following calendar year, and (c) shall be allocated no later than December 31, ~~2025~~2030.

2. Such housing opportunity tax credits issued pursuant to this subsection shall be allowed ratably, with one-tenth of the total amount of credits allowed annually for 10 years over the credit period, except that there shall be a reduction in the tax credit allowable in the first year of the credit period due to the calculation in 26 U.S.C. § 42(f)(2) and any reduction by reason of 26 U.S.C. § 42(f)(2) in the credit allowable for the first taxable year of the credit period shall be allowable for the first taxable year following the credit period.

H. 1. The total amount of housing opportunity tax credits authorized for qualified projects under this article shall not exceed \$15 million for calendar year 2021.

2. For calendar years 2022 through ~~2025~~2030, the total amount of housing opportunity tax credits authorized for qualified projects under this article shall not exceed \$60 million per calendar year. Such credits issued each calendar year shall be allowed ratably, with one-tenth of the total amount of credits allowed annually for 10 years over the credit period, except that there

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shall be a reduction in the tax credit allowable in the first year of the credit period due to the calculation in 26 U.S.C. § 42(f)(2) and any reduction by reason of 26 U.S.C. § 42(f)(2) in the credit allowable for the first taxable year of the credit period shall be allowable for the first taxable year following the credit period.

3. Notwithstanding any other provision of law to the contrary, the aggregate amount of housing opportunity tax credits authorized for all qualified projects under this article shall not exceed ~~\$255~~\$555 million across all calendar years.

I. Notwithstanding any provision of law or regulation to the contrary, only Virginia housing opportunity tax credits awarded in calendar year 2021, up to a maximum of \$15 million total for all taxpayers in all taxable years, may be claimed pursuant to the provisions of this section as set forth in Chapter 495 of the Acts of Assembly of 2021, Special Session I, prior to its amendment by the ninth enactment of Chapter 2 of the Acts of Assembly of 2022, Special Session I.

J. The Authority shall, upon request from the Chairs of the House Committee on Appropriations, the House Committee on Finance, and the Senate Committee on Finance and Appropriations, provide information, data, and any other requested advisement on the potential structure and cost of a separately authorized certificated Virginia housing opportunity tax credit program that would allow a qualified project to sell all or any portion of its Virginia housing opportunity tax credits, to one or more unrelated taxpayers based on findings in the report of the Department of Housing and Community Development and the Authority stakeholder advisory group submitted pursuant to Chapter 517 of the Acts of Assembly of 2020.

K. *a.* Of the \$60 million of Virginia housing opportunity tax credits authorized per calendar year from 2022 through 2025 for qualified projects by the Authority pursuant to this article, \$20 million of such credits shall be first allocated exclusively for qualified projects located in a locality with a population no greater than 35,000 as determined by the most recent United States census.

*b.* *Of the \$60 million of Virginia housing opportunity tax credits authorized per calendar year from 2026 through 2030 for qualified projects by the Authority pursuant to this article, \$20 million of such credits shall be reserved for qualified projects located in a geographic area within the Balance of State Pool. The Authority shall notify the Virginia Housing Commission upon any change to the Balance of State Pool.*

*c.* Such allocation of Virginia housing opportunity tax credits shall constitute the minimum amount of such tax credits to be allocated for qualified projects in such localities. However, if the amount of such tax credits requested for qualified projects in such localities is less than the total amount of such credits available for qualified projects in such localities, the balance of such credits shall be allocated for any qualified project, regardless of location. In allocating or allowing such credits to qualified projects in such localities, the Authority ~~shall~~ *may* give equal consideration to qualified projects allocated or allowed a federal low-income housing credit in an amount equal to the 10-year present value calculation of the percentages prescribed under 26 U.S.C. §§ 42(b)(1)(B)(i) and 42(b)(1)(B)(ii)."

Page 732, line 4, strike "and".

Page 732, line 4, after "sixteenth", insert ", and twenty-first".

**Explanation:**

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(This amendment extends the Housing Opportunity Tax Credit from tax year 2025 to 2030. This credit is subject to an annual cap equal to \$60 million per calendar year and a multi-year cap on the program is \$555 million.)

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