

March 24, 2025

TO: HOUSE OF DELEGATES

HOUSE BILL NO. 1600

I approve of the general purpose of this bill, but I am returning it without my signature with eight item vetoes and with the request that the attached amendments be adopted.

Together, the 205 amendments and eight item vetoes I am offering to the 515 amendments to Chapter 2 of the Acts of Assembly (2024 Special Session I) preserve the vast majority of spending priorities as passed by the General Assembly.

Once adopted, the changes to our current biennial budget will ensure that all our obligations, including Medicaid, are fully funded, and that significant new resources are dedicated to our shared priorities. This budget will deliver an additional \$1 billion in tax relief to Virginians this year as well as bring us to a total of \$5 billion into Virginia's "rainy day" funds, including a discretionary deposit of \$300 million over the biennium into the Revenue Reserve Fund made by my amendments.

My amendments bring the changes made by the HB 1600 conference report in line with the prudent approach to budgeting and strong commitment to the long-term structural balance of the Commonwealth's finances that has served our shared constituents well and maintained the sterling AAA bond rating we have earned from all three rating agencies.

The reality is Virginia has never been stronger. Strong job growth. Strong growth in startups. Strong business investment. Strong population growth.

And that strength allows us to achieve three key objectives First, to provide needed additional \$1 billion in tax relief, bringing us to \$9 billion over our time together.

Second, to provide incremental funding for key shared priorities on top of the record investments in the Common Ground budget, but not to overwhelm Fiscal Years 2027 and 2028 with ongoing spending obligations.

And third, while I am confident in our projections, we should create even more reserve cushion as we recognize that the moves to restore fiscal sanity in Washington are needed, and such moves can cause near-term uncertainty.

We are strong. Because of that strength we can be dynamic. And, by being dynamic, we will continue winning together.

A Strong Balance Sheet for Virginia and Significant Investments in Virginians

Virginia remains in a strong financial position, with state revenue running slightly ahead of plan through 8 months of Fiscal Year 2025. Virginia's strong job growth and significant investment commitments from businesses are driving revenue growth year-over-year, resulting in a projected surplus versus the adopted budget for the fourth consecutive year.

With the highest labor force in Virginia's history, two consecutive years of high net immigration for the first time in a decade, and with more job growth as a percentage of our workforce than the vast majority of other states in the last three years, we are confident that revenues will remain strong even when viewed conservatively.

We continue to have confidence in our Fiscal Years 2025 and 2026 forecast, although we acknowledge a broadening aperture of the risk window. The establishment of a select Emergency Committee on the Impacts of Federal Workforce and Funding Reductions in the House of Delegates and a Senate Finance and Appropriations Committee Special Subcommittee on Federal Impacts to Resources is a clear indication of your concerns. As such, amendments are justified to ensure that Virginia's finances remain well positioned to address any unforeseen reductions in general fund revenues over the biennium.

Our reserve fund balances are among the best of any state in the nation. With the total of \$594.5 million deposited into the Revenue Reserve Fund in this budget package, we will have approximately \$5 billion in reserve funds representing 17 percent of our annual general fund spending. Revenue collections are running ahead of the revenue forecast by one percent, or \$187.2 million, year to date.

While I firmly believe car tax relief is the most critical tax relief and differs from your budget amendment, it is clear that Virginia can fund priorities and maintain our long-term structural balance while delivering the \$1.1 billion in tax relief offered in this budget, as well as the investments in Virginians outlined below.

Education

These amendments include \$166 million more for public education than the amendments I introduced in December. This includes:

- \$84.7 million to raise the cap on non-instructional support positions to 25.5 per 1,000 students;
- \$52.8 million for enhanced special education;
- \$25 million for Virginia Opportunity Scholarships;
- \$25.8 million to maintain our assessment system while the new one is competed;
- \$25 million in increased support for the schools identified as “Off-Track” or “Needs Intensive Support” under the School Performance and Support Framework adopted by the Board of Education, and,
- \$15 million for College Partnership Laboratory Schools.

This budget includes a bonus for teachers as well as all state and state-supported local employees. This builds on the 18 percent teacher pay raises adopted over the last three years of my Administration.

Virginia’s best-in-class Early Childhood Care and Education program, *Building Blocks for Virginia Families*, is supported in my budget by common sense reforms proposed by the Early Childhood Care and Education Commission, with a slight increase of up to 7 percent in co-pay for participating families in line with federal standards and an ongoing increase of \$7.5 million in new general fund on top of the \$593 million in total funding in the base. This means we are able to reduce our birth-to-five child care waitlist by 7,000 slots, providing high-quality child care to more than 52,000 children across Virginia in FY26, supporting hardworking mothers and fathers. This budget would create the largest number of publicly funded early childhood slots in Virginia history.

After years of widespread concern about increased general fund support for higher education, this budget builds on the \$1 billion investment in Chapter 2 in our colleges and universities, offering \$55 million on top of \$150 million in the base for affordable access, \$15 million more for financial aid on top of the \$33 million already in the base, and \$15 million for critical information technology infrastructure. With this support, my amendments cap tuition increases at 2.5 percent or inflation.

In addition to these university supports, my amendments direct \$60 million in nongeneral funds from the actuarial surplus in the defined benefit portion of the Commonwealth Savers Plan (formerly Virginia 529) to fund tuition waivers offered under the Virginia Military Survivors and Dependent Education Program.

Prior to Chapter 2, the cost of these waivers was fully socialized by each individual public college or university, which led to significant concerns about the sustainability of the

program and its impact on affordability for all students. We came together last year to address those concerns with additional funding for the first time. Multiple working groups were formed across the executive and legislative branches to discuss the sustainability of the program. At each of those meetings, our military heroes and their families made themselves heard.

It is clear this program is a critical component of the mission we all share to make Virginia the best state in the nation for veterans and their survivors to live, work, and raise a family. The use of the actuarial surplus in a now closed portion of the Commonwealth Savers Plan to support these students and the universities that educate them is a commonsense solution to keep our promise to our military heroes and keep tuition affordable for all other students.

My budget also makes significant capital investments at our universities, a total more than \$820 million over Chapter 2, including funding for the performing arts center at the University of Virginia, and restored funding for the Virginia Military Institute Center for Leadership and Ethics.

Health and Human Resources

This budget provides an additional \$824.5 million for Health and Human Resources over the biennium. It meets and clears a significant hurdle by fully funding the Medicaid and SCHIP forecast increase with \$720.5 million in general fund, bringing us to a total of \$16 billion in general fund and \$53 billion in general and nongeneral fund support to those Virginians most in need.

The budget also provides for \$105.43 million for the Children's Services Act caseload and cost increases, \$1.7 million for pharmacies in hard to serve rural areas, and \$15 million for drinking water grants at the Virginia Department of Health (VDH).

The budget includes \$1.1 million to increase Medicaid rates for substance use disorder services to 6.5 percent, but removes most proposed rate increases for expansion of Medicaid services to ensure adequate revenue reserves.

My amendments improve on the maternal health supports included in my introduced budget and the conference report by moving the maternal health mobile hub funding from VDH to the Department of Medical Assistance Services, setting up a future where our managed care providers fund these supports as a part of their contract, and restores funding for doula services at local health departments.

Finally, my amendments include a one-time infusion of \$1.5 million in general fund to the Department of Social Service to support security enhancements for Supplemental Nutrition Assistance Program (SNAP) Electronic Benefits Transfer (EBT) cards.

Public Safety

When adopted, my amendments will bring all-in funding for public safety to \$41 million more than Chapter 2, for a total of \$5.3 billion over the biennium.

My budget directs \$50 million for disaster response and relief to Southwest Virginia, not only in the devastating wake of Hurricane Helene, but also more recent flooding events.

My amendments allow a portion of the funding to be used by local governments to cover any required federal match and authorizes up to \$2.5 million to be utilized for much-needed improvements to public safety communications infrastructure.

They also restore \$5.3 million on top of our record spending for School Resource Officer (SROs) incentive grants, bringing funding to almost \$50 million in this biennium, and over \$100 million when you include the last biennium.

With this additional funding, and the reforms we have worked on together to improve the efficacy of the program, we remain well on our way to achieve the important goal of an SRO or School Security Office (SSO) active on every school campus in the Commonwealth.

My amendments also restore an important condition on state funding for our localities, requiring cooperation with lawful U.S. Immigrations and Customs Enforcement (ICE) detainees. This is not a partisan issue. Enhanced cooperation with ICE and other federal partners is a critical step to keeping our communities safe.

Local governments or local and regional jails that adopt policies or engage in practices that prohibit cooperation with ICE weaken our ability to protect Virginians from violent crime.

This budget also provides an additional \$2 million for reimbursement of local law enforcement transportation of individuals emergency custody or temporary detention orders and expands funding for Special Conservators of the Peace (SCOPs) at private hospitals by \$4 million in order to get law enforcement out of the business of waiting in emergency rooms with behavioral health patients in crisis and back on the streets.

Investments in Commerce and Trade and Natural and Historic Resources

This budget adds \$20 million and establishes a base annual funding of \$40 million for the highly successful Virginia Business Ready Sites Fund and provides \$7.5 million for utility infrastructure investments at a key site in Pulaski County, as well as \$6.5 million for a key site on the Eastern Shore.

This budget provides \$8 million in dredging at Wallops Island to support Virginia's commercial space industry, retains \$8 million to support transformative energy and power investments through the Clean Energy Innovation Bank, and restores a \$20 million line of credit to support runway expansion at the Roanoke-Blacksburg Regional Airport.

My amendment retains the transfer of \$6 million for the Virginia Talent Opportunity Program from the State Council for Higher Education of Virginia but realigns this program within the Department of Workforce Advancement and Development (Virginia Works) which, in close collaboration with the Virginia Economic Development Partnership, will market and disburse incentives to private companies that offer high-quality internships. My amendments also include \$480,000 for the Virginia Has Jobs initiative to further our efforts to match job seekers with the over 250,000 open positions we have in the Commonwealth.

My amendments include \$50 million in additional nongeneral funds added to the Community Flood Preparedness Fund, bringing to a total of \$150 million in the biennium and \$477.8 million over the life of the fund. Portions of the fund are earmarked to cover critical water infrastructure projects in several localities. My amendments provide an additional \$50 million for the City of Richmond Combined Sewer Overflow project, bringing state funding offered to our capitol city for this vital effort to \$318 million.

In addition, after careful consideration and a site visit with the local Delegate and community leaders, my budget includes language to authorize the consideration of establishing Oak Hill, the historic home of Virginia Governor and fifth President of the United States of America James Monroe, as a state park. Similarly, in support of the celebration of the 250th anniversary of America's founding, the budget authorizes \$5 million for a Colonial Williamsburg Transit Center improvement project and \$8 million for flood protection measures at Jamestown.

Reforming Gaming in the Commonwealth

My amendments restore the bipartisan priority of the creation of a Virginia Gaming Commission that was originally included in the House of Delegates passed version of HB 1600. Given the rapid expansion of gaming in the Commonwealth this decade, it is imperative that we establish consolidated, coordinated oversight.

My amendments preserve much of the changes made to the equitable distribution of proceeds from Historical Horse Racing (HHR) but reduces the tax rate on those machines to 1.3 percent in order to continue to encourage investment in the Commonwealth.

Likewise, as outlined in detail below, I am vetoing the inclusion of an anti-business provision requiring an additional public referendum on an already approved HHR facility in Henrico County.

Attached to this letter are my proposed amendments to HB 1600 and my item vetoes are explained in line below.

Item Vetoes

My reason for each of the eight item vetoes are set out below.

Revocation of Appropriations for the Joint Subcommittee on Elementary and Secondary Education Funding (Item 1.S.5.)

I am vetoing this Item because the General Assembly has sufficient staffing and cash balances in its current appropriation to support the procurement of additional technical support to the Joint Subcommittee on Elementary and Secondary Education.

Prohibition on Procurement of Student-Weighted Funding Formula Modeling (Item 44.H.)

I am vetoing this Item as an infringement of my Executive power to procure goods and services that are determined to be in the public interest.

DHCD Manufactured Home Acquisition Program Appropriation (Item 102.M.)

I am vetoing this Item because I disagree with the intent and public purpose of efforts to purchase assets of private businesses using public dollars generated through electricity taxes and statutorily dedicated to weatherization assistance programs.

DHCD Mortgage Assistance Appropriation (Item 102.N.)

I am vetoing this Item because I disagree with the intent and public purpose of efforts to use taxpayer dollars generated through electricity taxes and statutorily dedicated to weatherization assistance programs for new programs that are largely duplicative of existing public programs.

CASA Welcome Centers (Item 331.DD.)

I am vetoing this Item because I disagree with the intent and public purpose of providing taxpayer support to nonprofit advocacy organizations.

Bond Authorization in Capital Outlay for Water (Item C-53.50)

I am vetoing this Item given the articulated concerns of General Assembly leadership regarding the uncertainty of current general fund forecasts. Accordingly, Virginia does not need to authorize additional debt during this biennium.

Bond Authorization in Capital Outlay for SLAF (Item C-53.80)

I am vetoing this Item given the articulated concerns of General Assembly leadership regarding the uncertainty of current general fund forecasts. Accordingly, Virginia does not need to authorize additional debt during this biennium.

Henrico Historical Horse Racing Referendum (Enactment 8)

I am vetoing this Item because it would require an additional referendum to authorize currently legal parimutuel wagering in Henrico County. Additionally, this action impairs currently valid

contracts of an existing Virginia business conducting lawful business activities in the Commonwealth.

In your review of these proposals, I think you will find they are consistent with the primary objectives that we all have worked toward this year. I respectfully request your adoption of these amendments so that they may be incorporated into the Appropriation Act for the upcoming biennium.

Sincerely,

GLENN YOUNGKIN

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 1: Reflect the extension of certain expiring tax credits

Item 0

Revenues

Revenues

Language

Language:

Page 1, line 46, strike “\$31,360,409,381” and insert “\$31,340,509,381”.

Page 1, line 46, strike “\$62,021,445,843” and insert “\$62,001,545,843”.

Page 2, line 3, strike “\$32,951,953,318” and insert “\$32,932,053,318”.

Page 2, line 3, strike “\$69,517,247,061” and insert “\$69,497,347,061”.

Page 2, line 22, strike “\$94,849,587,637” and insert “\$94,829,687,637”.

Page 2, line 22, strike “\$204,068,668,507” and insert “\$204,048,768,507”.

Explanation:

(This amendment reflects the extension of the major business facility job tax credit, the major research and development tax credit, and the research and development expenses tax credit through FY 2027 on the front page summary of General Fund resources. A companion amendment to Section 4-14 modifies the Code of Virginia to provides for the extension of these tax credits.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 2: Reflect partial reversal of Department of Energy balances reversion
Item 0**

Revenues

Revenues

Language

Language:

Page 1, line 44, strike “(\$8,243,470,953)” and insert “(\$8,251,470,953)”.

Page 1, line 44, strike “(\$8,223,970,953)” and insert “(\$8,231,970,953)”.

Page 2, line 3, strike “\$36,565,293,743” and insert “\$36,557,293,743”.

Page 2, line 3, strike “\$69,517,247,061” and insert “\$69,509,247,061”.

Page 2, line 22, strike “\$109,219,080,870” and insert “\$109,211,080,870”.

Page 2, line 22, strike “\$204,068,668,507” and insert “\$204,060,668,507”.

Explanation:

(This amendment reflects the partial reversal of the reversion of General Fund balances from the Department of Energy on the front page summary of General Fund resources. A companion amendment in the Department of Energy modifies the language to restore \$8 million of the reversion.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 3: Reflect the transfer of nongeneral fund cash balance
Item 0**

Revenues

Revenues

Language

Language:

Page 1, line 48, strike “\$1,390,285,768” and insert “\$1,440,285,768”.

Page 1, line 44, strike “\$2,962,329,705” and insert “\$3,012,329,705”.

Page 2, line 3, strike “\$36,565,293,743” and insert “\$36,615,293,743”.

Page 2, line 3, strike “\$69,517,247,061” and insert “\$69,567,247,061”.

Page 2, line 22, strike “\$109,219,080,870” and insert “\$109,269,080,870”.

Page 2, line 22, strike “\$204,068,668,507” and insert “\$204,118,668,507”.

Explanation:

(This amendment reflects the transfer of nongeneral fund cash balances on the front page summary of General Fund resources. A companion amendment in Miscellaneous Transfers includes language directing the Comptroller to transfer \$50 million in nongeneral fund balances in the Department of Environmental Quality to the General Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 4: Remove funding for Higher Education Joint Subcommittee
Item 1**

| Legislative | FY 24-25 | FY 25-26 | |
|------------------------------|-----------------|-----------------|----|
| General Assembly of Virginia | (\$350,000) | \$0 | GF |

Language:

Page 4, line 6, strike “\$66,855,825” and insert “\$66,505,825”.

Explanation:

(This amendment removes general fund appropriation in the first year that was provided for the Joint Subcommittee on Higher Education Funding Policies.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 5: Remove funding for the Commission Studying History of Uprooting of Black Communities by Public Institutions of Higher Education

Item 1

| Legislative | FY 24-25 | FY 25-26 |
|------------------------------|-----------------|-----------------|
| General Assembly of Virginia | (\$200,000) | \$0 GF |

Language:

Page 4, line 6, strike “\$66,855,825” and insert “\$66,655,825”.

Page 12, line 5, strike “\$228,760” and unstrike “\$28,760”.

Explanation:

(This amendment removes general fund appropriation in the first year that was provided for the Commission Studying History of Uprooting of Black Communities by Public Institutions of Higher Education.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 6: Remove VA529 Surplus Funds Joint Subcommittee language
Item 1**

Legislative

General Assembly of Virginia

Language

Language:

Page 13, strike lines 18 through 35.

Explanation:

(This amendment removes language that established a Joint Subcommittee to review options for the use of the VA529 actuarial surplus.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 7: Restore funding for the Capitol Square Preservation Council

Item 7

| Legislative | FY 24-25 | FY 25-26 | |
|-------------------------------------|-----------------|-----------------|----|
| Capital Square Preservation Council | \$50,000 | \$50,000 | GF |

Language:

Page 17, line 8, strike the first "\$0" and insert "\$50,000".

Page 17, line 8, strike the second "\$0" and insert "\$50,000".

Page 17, unstrike line 13.

Explanation:

(This amendment restores partial funding for the Capitol Square Preservation Council in the first and second years.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 8: Remove funding for FOIA Council staffing
Item 12**

| Legislative | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|-----|
| Virginia Freedom of Information Advisory Council | \$0 | (\$265,990) | GF |
| | 0.00 | -2.00 | FTE |

Language:

Page 17, line 41, unstrike "\$269,146".

Page 17, line 42, strike "\$535,136".

Explanation:

(This amendment removes general fund appropriation in the second year provided for additional positions to support the FOIA Council.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 9: Remove additional funding for the Housing Commission
Item 13**

| Legislative | FY 24-25 | FY 25-26 | |
|-----------------------------|-----------------|-----------------|----|
| Virginia Housing Commission | \$0 | (\$75,000) | GF |

Language:

Page 18, line 12, unstrike "\$423,763".

Page 18, line 32, strike "\$498,763".

Explanation:

(This amendment removes general fund appropriation in the second year provided for additional operational support.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 10: Remove funding for Virginia State Crime Commission staffing
Item 23**

| Legislative | FY 24-25 | FY 25-26 | |
|---------------------------------|-----------------|-----------------|----|
| Virginia State Crime Commission | \$0 | (\$75,000) | GF |

Language:

Page 19, line 31, unstrike "\$1,844,034".

Page 19, line 32, strike "\$1,919,034".

Explanation:

(This amendment removes general fund appropriation in the second year provided for additional staffing support costs.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 11: Remove funding for Commission on Electric Utility Regulation
Item 24**

| Legislative | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Commission on Electric Utility Regulation | \$0 | (\$75,000) | GF |

Language:

Page 20, line 52, unstrike "\$691,050".

Page 20, line 53, strike "\$766,050".

Explanation:

(This amendment removes general fund appropriation in the second year provided for operational support costs.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 12: Restore additional Operation Ceasefire support

Item 49

| | | | |
|--|-----------------|-----------------|-----|
| Executive Office | FY 24-25 | FY 25-26 | |
| Attorney General and Department of Law | \$0 | \$192,260 | GF |
| | 0.00 | 1.00 | FTE |

Language:

Page 38, line 15, strike “Not set out.” and insert:

| | | |
|--|----------------------------|-----------------------------|
| “Item 49 | First Year - FY2025 | Second Year - FY2026 |
| | | \$57,435,842 |
| Legal Advice (32000) | \$57,435,842 | \$57,628,102 |
| | | \$57,435,842 |
| State Agency/Local Legal Assistance and Advice (32002) | \$57,435,842 | \$57,628,102 |
| Fund Sources: | | |
| | | \$39,535,700 |
| General | \$39,535,700 | \$39,727,960 |
| Special | \$16,149,310 | \$16,149,310 |
| Dedicated Special Revenue | \$500,000 | \$500,000 |
| Federal Trust | \$1,250,832 | \$1,250,832 |

Authority: Title 2.2 Chapter 5, Code of Virginia.

A. Out of this appropriation shall be paid:

1. The salary of the Attorney General, \$150,000 the first year and \$150,000 the second year.
2. Expenses of the Attorney General not otherwise reimbursed, \$9,000 each year in equal monthly installments.
3. Salary expenses necessary to provide legal services pursuant to Title 2.2, Chapter 5, Code of Virginia.

B. Out of this appropriation, \$738,536 the first year and \$738,536 the second year from the general fund is designated for efforts to enforce the 1998 Tobacco Master Settlement Agreement and Article 1 (§ 3.2-4200, et seq.), Chapter 42, Title 3.2, Code of Virginia. The Department of Law shall be responsible for enforcement of Article 1 (§ 3.2-4200, et seq.), Chapter 42, Title 3.2, Code of Virginia and the 1998 Tobacco Master Settlement Agreement. The general fund shall be reimbursed on a proportional basis from the Tobacco Indemnification and Community Revitalization Fund and the Virginia Tobacco Settlement Fund for costs associated with the enforcement of the 1998 Tobacco Master Settlement Agreement pursuant to transfers directed by Item 468 and § 3-1.01, Paragraph N of this act.

2025 Reconvened Session Executive Amendments (HB 1600)

C. Upon notification by the Attorney General, agencies that administer programs which are funded wholly or partially from nongeneral fund appropriations shall transfer to the Department of Law the necessary funds to cover the costs of legal services that are related to such nongeneral funds. The Attorney General, in consultation with the respective agency heads, shall determine the amounts for transfer. It is the intent of the General Assembly that legal services provided by the Office of the Attorney General for general fund-supported programs shall be provided out of this appropriation.

D. At the request of the Attorney General, the Director, Department of Planning and Budget, shall provide an amount not to exceed \$100,000 per year from the Miscellaneous Contingency Reserve Account to pay the compensation, fees, and expenses of (i) counsel appointed by the Office of the Attorney General in actions brought pursuant to § 15.2-1643, Code of Virginia, to cause court facilities to be made secure, or put in good repair, or rendered otherwise safe, and (ii) counsel representing court personnel, including clerks, judges, and Justices in actions arising out of their official duties.

E.1. Pursuant to Chapter 577 of the Acts of Assembly of 2008, the Office of the Attorney General shall provide legal service in civil matters and consultation and legal advice in suits and other legal actions to soil and water conservation district directors and districts upon the request of those district directors or districts at no charge, inclusive of all fees, expenses, or other costs associated with litigation, excluding the payment of damages.

2. If the Office of the Attorney General is unable to provide legal services to the soil and water conservation districts, and as a result the districts incur costs from retaining other counsel, then the Director of the Department of Planning and Budget shall transfer general fund appropriations from the Office of the Attorney General to the Department of Conservation and Recreation in an amount equal to the cost incurred by the soil and water conservation districts to be used to reimburse the districts for costs incurred.

F. The Attorney General shall prepare and submit a report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 1 of each year detailing expenditures in the prior fiscal year for special outside counsel by any executive branch agencies. The report shall include the reasoning why outside counsel is necessary, the hourly rate charged by outside counsel, total expenditures, and funding source.

G. Except as otherwise specifically provided by law, all legal services of the Office of the Attorney General shall be performed exclusively by (i) an employee of the Office, (ii) an employee of another Virginia governmental entity as may be provided by law, (iii) an employee of a federal governmental entity pursuant to an agreement between the Office of the Attorney General and such federal governmental entity, or (iv) law students who receive a non-salary stipend from their law school or another institution or recent law school graduates who graduated within the past two years sponsored by their graduating institution with a non-salary stipend. Except as otherwise specifically provided under this act, the sole source of compensation paid to employees of the Office of the Attorney General for performing legal services on behalf of the Commonwealth shall be from the appropriations provided under this act. In any case in which the Office of the Attorney General is authorized under law to contract with, hire, or engage a person other than a person described in clauses (i), (ii), (iii), or (iv) to perform legal services on behalf of the Commonwealth, the sole consideration for such legal services shall be a monetary amount bargained for in an arm's length transaction with such person and the Office of the Attorney General or another Virginia governmental entity, stating under what authority that office enters the contract. Only persons described in clauses (i), (ii), (iii), or (iv) shall perform legal services on premises leased by the Office of the Attorney General. Nothing in this paragraph shall prohibit the Office of the Attorney General from entering into a settlement agreement with a defendant arising from a case litigated or prosecuted by a federal governmental entity, local governmental entity, or an Attorney General's Office in

2025 Reconvened Session Executive Amendments (HB 1600)

another state or United States territory. Nothing in this paragraph shall prohibit the Office of the Attorney General from employing and providing office space to an unpaid intern assisting in performing legal services, provided that such intern does not possess a current license to practice law in the Commonwealth, any other state, or any United States territory.

H.1. There is hereby created in the state treasury a special, nonreverting fund to be known as the Electronic Nicotine Delivery Systems Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund at the end of each fiscal year, including interest thereon, shall not revert to the general fund but shall remain in the Fund.

2. Notwithstanding any other provision of law, upon receipt of amounts from a settlement, judgment, verdict, or other court order relating to consumer protection claims regarding the marketing and distribution of electronic nicotine delivery systems (ENDS) products toward youth, such amounts shall be deposited into the Fund. Any amounts appropriated from the Fund shall be used, to the maximum extent possible, for efforts to prevent, abate, and cease the use of ENDS and other related nicotine products.

I. Out of this appropriation, \$1,000,000 the first year and \$1,000,000 the second year from the Electronic Nicotine Delivery Systems Fund shall be transferred to the Virginia Foundation for Healthy Youth to support a youth vaping prevention campaign.

J. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from the Commonwealth Opioid Abatement and Remediation Fund shall be transferred to the Virginia Foundation for Healthy Youth to address the opioid crisis through a marketing campaign and classroom-based programmatic efforts.

K. Out of this appropriation, \$1,300,000 the first year and ~~\$1,300,000~~ \$1,492,260 the second year from the general fund is designated for supporting group violence intervention efforts as defined in Item 394, subsection N of this act.”

Explanation:

(This amendment restores funding and one position for an additional attorney to expand the Operation Ceasefire program to Northern Virginia.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 13: Restore increase to Regulatory, Consumer, Advocacy, Litigation, and Enforcement Revolving Trust Fund appropriation and carryforward

Item 51

| | | | |
|--|-----------------|-----------------|-----|
| Executive Office | FY 24-25 | FY 25-26 | |
| Attorney General and Department of Law | \$0 | \$500,000 | NGF |

Language:

Page 38, line 17, strike “Not set out.” and insert:

| “Item 51 | First Year - FY2025 | Second Year - FY2026 |
|---|----------------------------|-----------------------------|
| | | \$6,786,546 |
| Regulation of Business Practices (55200) | \$6,786,546 | \$7,286,546 |
| | | \$6,786,546 |
| Regulatory and Consumer Advocacy (55201) | \$6,786,546 | \$7,286,546 |
| Fund Sources: | | |
| General | \$4,491,015 | \$4,491,015 |
| | | \$2,295,531 |
| Special | \$2,295,531 | \$2,795,531 |

Authority: Title 2.2, Chapter 5, Code of Virginia.

Included in this Item is \$1,250,000 the first year and ~~\$1,250,000~~ \$1,750,000 the second year from special funds for the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund as established in Item 48 of Chapter 966 of the Acts of Assembly 1994 and amended herein. The Department of Law is authorized to deposit to the fund any fees, civil penalties, costs, recoveries, or other moneys which from time to time may become available as a result of regulatory and consumer advocacy litigation, litigation in which the Office of the Attorney General participates, or civil enforcement efforts including, but not limited to, those brought pursuant to Article 1 (§ 3.2-4200 et seq.) and Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2 of the Code of Virginia. The Department of Law is also authorized to deposit to the fund any attorneys' fees which from time to time may be obtained. Any deposit to, and interest earnings on, the fund shall be retained in the fund, provided, however, that any amounts contained in the fund that exceed ~~\$1,250,000~~ \$1,750,000 on the final day of the fiscal year shall be deposited to the credit of the general fund. In addition to the uses of the fund permitted by Item 48 of Chapter 966 of the Acts of Assembly of 1994, the fund may be used to pay costs associated with enforcement efforts pursuant to Article 1 (§ 3.2-4200 et seq.) and Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2 of the Code of Virginia, costs associated with litigation initiated by the Office of the Attorney General, and costs associated with civil commitment procedures pursuant to Chapter 9 of Title 37.2 of the Code of Virginia.”

2025 Reconvened Session Executive Amendments (HB 1600)

Explanation:

(This amendment restores the increase to the appropriation and allowable carryforward funds in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund. The fund pays for outside experts and specialists and related costs when Virginia engages in consumer protection actions such as anti-trust investigations.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 14: Restore rate payer protection staffing

Item 51

| | | | |
|--|-----------------|-----------------|-----|
| Executive Office | FY 24-25 | FY 25-26 | |
| Attorney General and Department of Law | \$0 | \$277,077 | GF |
| | 0.00 | 2.00 | FTE |

Language:

Page 38, line 17, strike “Not set out.” and insert:

| “Item 51 | First Year - FY2025 | Second Year - FY2026 |
|---|----------------------------|---------------------------------------|
| | | \$6,786,546 |
| Regulation of Business Practices (55200) | \$6,786,546 | \$7,063,623 |
| | | \$6,786,546 |
| Regulatory and Consumer Advocacy (55201) | \$6,786,546 | \$7,063,623 |
| Fund Sources: | | |
| General | \$4,491,015 | \$4,491,015 \$4,768,092 |
| Special | \$2,295,531 | \$2,295,531 |

Authority: Title 2.2, Chapter 5, Code of Virginia.

Included in this Item is \$1,250,000 the first year and \$1,250,000 the second year from special funds for the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund as established in Item 48 of Chapter 966 of the Acts of Assembly 1994 and amended herein. The Department of Law is authorized to deposit to the fund any fees, civil penalties, costs, recoveries, or other moneys which from time to time may become available as a result of regulatory and consumer advocacy litigation, litigation in which the Office of the Attorney General participates, or civil enforcement efforts including, but not limited to, those brought pursuant to Article 1 (§ 3.2-4200 et seq.) and Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2 of the Code of Virginia. The Department of Law is also authorized to deposit to the fund any attorneys' fees which from time to time may be obtained. Any deposit to, and interest earnings on, the fund shall be retained in the fund, provided, however, that any amounts contained in the fund that exceed \$1,250,000 on the final day of the fiscal year shall be deposited to the credit of the general fund. In addition to the uses of the fund permitted by Item 48 of Chapter 966 of the Acts of Assembly of 1994, the fund may be used to pay costs associated with enforcement efforts pursuant to Article 1 (§ 3.2-4200 et seq.) and Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2 of the Code of Virginia, costs associated with litigation initiated by the Office of the Attorney General, and costs associated with civil commitment procedures pursuant to Chapter 9 of Title 37.2 of the Code of Virginia.”

2025 Reconvened Session Executive Amendments (HB 1600)

Explanation:

(This amendment restores funding and two positions for rate payer advocacy in energy rate cases and litigation.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 15: HB1922: SWaM Procurement
Item 70**

| Administration | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|-----|
| Department of General Services | \$0 | (\$250,000) | NGF |

Language:

Page 59, line 50, unstrike “\$67,972,051”.

Page 59, line 51, strike “\$68,222,051”.

Page 60, strike lines 35 through 37.

Explanation:

(This amendment removes funding provided to the Department of General Services that pertains to the SWaM procurement requirements of House Bill 1922.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 16: Strike language prohibiting contingency fee based-contracts
Item 75**

Administration

Administration of Health Insurance

Language

Language:

Page 66, strike lines 49 through 51.

Explanation:

(This amendment removes language prohibiting payments from the State Health Plan for contingency fee-based contracts.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 17: HB1922: SWaM Procurement
Item 81**

| Administration | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|-----|
| Virginia Information Technologies Agency | \$0 | (\$100,000) | NGF |
| | 0.00 | -1.00 | FTE |

Language:

Page 71, line 7, strike “\$62,388,610” and insert “\$62,288,610”.

Page 73, strike lines 14 through 16.

Explanation:

(This amendment removes funding provided to the Virginia Information Technologies Agency that pertains to the SWaM procurement requirements of House Bill 1922.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 18: Increase funding for Business Ready Sites
Item 101**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Economic Development Incentive Payments | \$0 | \$20,000,000 | GF |

Language:

Page 84, line 6, strike “\$61,731,826” and insert “\$81,731,826”.

Page 86, line 13, strike “\$20,000,000” and insert “\$40,000,000”.

Explanation:

(This amendment brings the base appropriation for the Virginia Business Ready Sites program to \$40.0 million in the second year.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 19: Support the Major Headquarters Grant Fund
Item 101**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Economic Development Incentive Payments | \$0 | \$10,000,000 | GF |

Language:

Page 84, line 5, strike “\$61,731,826” and insert “\$71,731,826”.

Page 86, line 8, unstrike “and”.

Page 86, line 9, unstrike “\$21,250,000 the second year”.

Page 86, line 9, strike “\$21,250,000” and insert “\$10,000,000”.

Explanation:

(This amendment provides for a deposit to the Major Headquarters Grant Fund in the second year.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 20: Adjust language for disaster assistance and mitigation funding Item 102

Commerce and Trade

Department of Housing and Community
Development

Language

Language:

Page 92, strike lines 23 through 52.

Page 93, strike lines 1 through 55.

Page 94, strike lines 1 through 11 and insert:

"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 or commercial property damage as a result of (i) 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 and (ii) storms occurring during the State of Emergency declared by Governor Youngkin on February 10, 2025, including, without limitation the heavy rains occurring on or around February 15 and 16, 2025.

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.f. and Q.1.g. 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. The department shall not provide relief under this section for a residential or commercial realty that was abandoned or uninhabited at the time of the disaster described in paragraph Q.1 of this item.

d. No recourse may be had by any person, organization, or entity against a recipient of payment under this paragraph, absent any evidence of misuse of funds. Misuse of funds shall be established by a showing that a recipient knowingly misapplied the proceeds of a payment received under this paragraph. If a showing of misuse of funds has been made, then a person may seek recourse against the recipient for an amount no greater than the extent of the payment.

e. Relief awarded pursuant to this paragraph is excluded from gross income and is not subject to taxation.

f. "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.

g. "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.

2025 Reconvened Session Executive Amendments (HB 1600)

h. "Eligible applicant" means any individual property owner that lost or sustained residential or commercial real 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.

i. The department may provide relief under this section for commercial real property loss and also loss of fencing and crop loss as a result of the disaster described by paragraph Q.1. of this item. The program provisions of this paragraph Q.1. shall apply to any commercial assistance provided by the department; however, the maximum assistance awarded for commercial property loss shall not exceed 100 percent of the property value lost or damaged by the disaster described in by paragraph Q.1. of this item.

2. Of the amounts in this paragraph, \$25,000,000 is provided for the department to supply 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 funds 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 1, 2025, which shall include eligible recipients and identify permitted sources of matching funds as necessary, which may include federal, state and other funding programs and sources as sources for match for funding from the program. Eligible activities shall be construction and improvement projects designed to mitigate the impacts of future disasters. Funding under paragraph Q.2. of this item shall be available for projects within communities eligible under paragraph Q.1. and those communities whose residents sustained property damage as a result of a flood disaster, mudslide, storm damage, wind damage, or landslide that was subject to a Major Disaster Declaration occurring on or after August 1, 2021. Grants to individuals shall not exceed \$500,000. Funding may be used to satisfy match requirements for federal, state and other funding programs and sources, including U.S. Federal Emergency Management Agency public assistance and hazard mitigation grant funding, U.S. Department of Housing and Urban Development community development block grants, and funding from U.S. Environmental Protection Agency, the U.S. Economic Development Administration, and the U.S. Department of Agriculture.

c. Out of the amounts in this paragraph, the department shall direct \$350,000 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. The pilot program will evaluate the effectiveness of an emergency management mobile application communications platform in Southwest Virginia by measuring its impact on key performance indicators, including: number of participating organizations/personnel, platform usage, time to treatment, and user satisfaction. An interim report detailing the pilot program launch will be submitted to the Chairs of the Senate Finance and Appropriations Committee and the House Appropriations Committee by December 1, 2025. A final report including quantitative data and qualitative feedback gathered from participating organizations and personnel will be submitted to the Chairs by October 1, 2026.

3. The Director of the Department of Housing and Community Development is authorized to reduce funds provided for major weather event disaster mitigation in paragraph Q.2. if eligible claims for relief as provided in paragraph Q.1. exceed \$25,000,000, to the extent that unobligated funds from paragraph Q.2. are available.

4. 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

2025 Reconvened Session Executive Amendments (HB 1600)

the General Assembly on the expenditure of funds from paragraph Q.2. on or before December 1, 2026, except as provided in Q.2.c. 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.

5. The department may recover administrative costs from the amounts provided in this paragraph including any necessary costs for partnerships with individuals and entities, including local departments of social services, entities of local government, planning district commissions, and non-profits to effectuate the provisions of this paragraph. The amounts provided in this paragraph Q. shall not revert to the general fund at the end of any fiscal year."

Explanation:

(This amendment expands language for disaster assistance to include recent storms occurring around February 15 and 16, 2025, and commercial property damage. Also, expands language pertaining to disaster mitigation funding to address eligibility and matching funds, and authorizes the Director of the Department of Housing and Community Development to move funds from mitigation to disaster assistance in the event claims for relief exceed the \$25 million specifically designated for that purpose. A companion amendment authorizing the use of up to \$2.5 million from the disaster mitigation funding to support the acquisition of emergency communications equipment is under the Department of Criminal Justice Services.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 21: Eliminate funding for first-time homebuyer program
Item 102**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$15,000,000) | \$0 | GF |

Language:

Page 89, line 10, strike “\$412,350,885” and insert “\$397,350,885”.

Page 95, strike lines 31 through 56.

Page 96, strike lines 1 through 4.

Explanation:

(This amendment removes funding provided to establish a first-time homebuyer program.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 22: Eliminate funding for the rental assistance pilot program
Item 102**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$20,000,000) | \$0 | GF |

Language:

Page 89, line 10, strike “\$412,350,885” and insert “\$392,350,885”.

Page 94, strike lines 22 through 56.

Page 95, strike lines 1 through 11.

Explanation:

(This amendment removes funding provided to establish a rental assistance pilot program in Planning District Commission Regions 8 and 23.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 23: Reduce funding for low-barrier emergency shelter
Item 102**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$750,000) | \$0 | GF |

Language:

Page 89, line 10, strike “\$412,350,885” and insert “\$411,600,885”.

Page 95, line 12, strike “\$1,500,000” and insert “\$750,000”.

Explanation:

(This amendment reduces appropriation provided to the City of Charlottesville to support the repurposing of an existing facility to create a low-barrier emergency shelter.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 24: Reduce funding for local housing trust funds and projects
Item 102**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$6,500,000) | \$0 | GF |

Language:

Page 89, line 10, strike “\$412,350,885” and insert “\$405,850,885”.

Page 96, line 5, strike “\$13,000,000” and insert “\$6,500,000”.

Page 96, line 10, strike “\$5,000,000” and insert “\$2,500,000”.

Page 96, line 11, strike “\$1,000,000” and insert “\$500,000”.

Explanation:

(This amendment reduces funding provided for one-time grants to local governments that have established or will establish Housing Trust Funds; modifies designations to provide \$2.5 million to Prince William County to support affordable housing and \$500,000 to the City of Emporia to support an affordable housing project.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 25: Remove funding for affordable housing criminal record screening
Item 102**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | \$0 | (\$10,000) | GF |

Language:

Page 89, line 10, strike “\$310,755,885” and insert “\$310,745,885”.

Page 95, strike lines 18 through 20.

Explanation:

(This amendment removes funding provided to support SB1128 and HB1638. This legislation will be vetoed.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 26: Remove funding for task force on Income Qualified Energy Efficiency and Weatherization

Item 102

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Housing and Community Development | \$0 | (\$20,000) | GF |

Language:

Page 89, line 10, strike “\$310,755,885” and insert “\$310,735,885”.

Page 95, strike lines 21 through 24.

Explanation:

(This amendment removes funding provided to support SB777 and HB1935 which established the Income Qualified Energy Efficiency and Weatherization Task Force. This legislation will be vetoed.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 27: Eliminate funding for the Urban Public-Private Partnership Redevelopment Fund
Item 103**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$2,500,000) | \$0 | GF |

Language:

Page 96, line 33, strike “\$167,202,325” and insert “\$164,702,325”.

Page 105, strike lines 52 through 54.

Page 106, strike lines 1 through 17.

Explanation:

(This amendment removes funding to capitalize the Urban Public-Private Partnership Redevelopment Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 28: Modify funding for Riverwalk Project in Occoquan
Item 103**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$600,000) | \$0 | GF |

Language:

Page 96, line 33, strike “\$167,202,325” and insert “\$166,602,325”.

Page 106, line 18, strike “\$1,200,000” and insert “\$600,000”.

Explanation:

(This amendment reduces funding provided for the Occoquan Riverwalk Project by half.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 29: Reduce funding for site readiness in Pulaski County
Item 103**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$7,500,000) | \$0 | GF |

Language:

Page 96, line 33, strike “\$167,202,325” and insert “\$159,702,325”.

Page 105, line 41, strike “\$15,000,000” and insert “\$7,500,000”.

Explanation:

(This amendment reduces funding provided for site readiness in Pulaski County by half.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 30: Remove funding for sewer pump projects in Portsmouth
Item 103**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$4,250,000) | \$0 | GF |

Language:

Page 96, line 33, strike “\$167,202,325” and insert “\$162,952,325”.

Page 106, strike lines 22 through 25.

Explanation:

(This amendment removes funding to support sanitary sewer pump station upgrades in Portsmouth. A companion amendment funds the improvements under the Department of Environmental Quality.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 31: Remove funding for water main improvements in Portsmouth
Item 103**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Housing and Community Development | (\$6,000,000) | \$0 | GF |

Language:

Page 96, line 33, strike “\$167,202,325” and insert “\$161,202,325”.

Page 106, strike lines 26 through 29.

Explanation:

(This amendment removes funding to support transmission water main improvements in Portsmouth. A companion amendment funds the improvements under the Department of Health.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 32: Modify Clean Energy Innovation Bank Reversion
Item 109**

Commerce and Trade

Department of Energy

Language

Language:

Page 108, line 37, strike “\$10,000,000” and insert “\$2,000,000”.

Explanation:

(This amendment reduces the amount to be transferred from the agency to the general fund from \$10 million to \$2 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 33: Remove funding for EV charging network
Item 109**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---------------------------|-----------------|-----------------|----|
| Department of Energy | (\$1,500,000) | \$0 | GF |

Language:

Page 107, line 41, strike “\$7,266,189” and insert “\$5,766,189”.

Page 108, strike lines 26 through 30.

Explanation:

(This amendment removes funding for vetoed legislation, HB 1791.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 34: Remove funding for solar grant program for localities
Item 109**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---------------------------|-----------------|-----------------|----|
| Department of Energy | (\$1,000,000) | \$0 | GF |

Language:

Page 107, line 41, strike “\$7,266,189” and insert “\$6,266,189”.

Page 108, strike lines 31 through 35.

Explanation:

(This amendment removes funding for vetoed legislation, HB 2113.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 35: Reduce funding for Capital Access Program
Item 111**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Small Business and Supplier Diversity | (\$75,000) | \$0 | GF |

Language:

Page 109, line 2, strike “\$9,476,797” and insert “\$9,401,797”.

Page 110, line 42, strike “\$150,000” and insert “\$75,000”.

Explanation:

(This amendment reduces funding for the City of Richmond to support the Metropolitan Business League's and Bridging Virginia's Capital Access Program to \$75,000.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 36: Remove funding for SWaM procurement
Item 111**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|-----|
| Department of Small Business and Supplier Diversity | \$0 | (\$187,020) | GF |
| | 0.00 | -2.00 | FTE |

Language:

Page 109, line 2, strike “\$9,099,895” and insert “\$8,912,875”.

Page 110, strike lines 40 through 41.

Explanation:

(This amendment removes funding provided for Small, Women, and Minority (SWaM) owned business utilization in state contracts pursuant to HB1922. This legislation will be vetoed.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 37: Move Innovative Internship Program funding and administration to Virginia Works Item 113

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Virginia Economic Development Partnership | \$0 | (\$6,000,000) | GF |

Language:

Page 112, line 3, unstrike “\$53,451,862”.

Page 112, line 4, strike “\$59,451,862”.

Page 114, strike lines 12 through 57.

Page 115, strike lines 1 through 29.

Explanation:

(This amendment removes the appropriation provided to Virginia Economic Development Partnership for responsibility of the business aspects of the state’s internship program. A companion amendment establishes the program under Virginia Works.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 38: Reduce funding for targeted marketing
Item 113**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Virginia Economic Development Partnership | (\$500,000) | \$0 | GF |

Language:

Page 112, line 4, strike “\$54,451,862” and insert “\$53,951,862”.

Page 115, line 30, strike “\$1,500,000” and insert “\$1,000,000”.

Explanation:

(This amendment reduces funding to promote Virginia to national and international site consultants, corporate executives, and others tasked with making business location recommendations and decisions to \$1.0 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 39: Provide funding to support a tourism grant program
Item 114**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|----------------------------|-----------------|-----------------|----|
| Virginia Tourism Authority | \$500,000 | \$0 | GF |

Language:

Page 115, line 41, strike “\$37,284,929” and insert “\$37,784,929”.

Page 117, strike lines 45 through 49 and insert:

“R. Out of the amounts in this item, \$3,500,000 the first year from the general fund is provided to support the Virginia Sports Tourism Grant Program as established in House Bill 1901 and Senate Bill 927 of the 2025 General Assembly Session. Out of the appropriation in this paragraph, \$2,500,000 the first year from the general fund is provided to Prince William County to support the promotion of a major sporting event occurring between June 6th through June 8th of 2025. Any funding remaining at the end of the fiscal year 2025 shall be carried forward into the next fiscal year and reappropriated for the purposes described in this paragraph, and shall not revert to the general fund.”

Explanation:

(This amendment repurposes and increases funding to support the Virginia Sports Tourism Grant Program established in legislation passed during the 2025 Session and designates \$2.5 million to support a golf tournament.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 40: Reduce and repurpose funding for media marketing
Item 114**

| Commerce and Trade | FY 24-25 | FY 25-26 | |
|----------------------------|-----------------|-----------------|----|
| Virginia Tourism Authority | (\$625,000) | \$0 | GF |

Language:

Page 115, line 41, strike “\$37,284,929” and insert “\$36,659,929”.

Page 117, line 29, strike the first “\$330,012” and insert “\$955,012”.

Page 118, line 5, strike lines 5 through 9.

Explanation:

(This amendment repurposes funding to support general media marketing.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 41: Update carryforward language for life sciences

Item 115

Commerce and Trade

Virginia Innovation Partnership Authority

Language

Language:

Page 123, strike lines 40 through 41 and insert:

“2. Any balances in this paragraph remaining at end of the fiscal year shall be carried forward and reappropriated.”

Page 124, strike lines 5 through 6 and insert:

“2. Any balances in this paragraph remaining at end of the fiscal year shall be carried forward and reappropriated.”

Page 124, strike lines 26 through 27 and insert:

“2. Any balances in this paragraph remaining at end of the fiscal year shall be carried forward and reappropriated.”

Page 124, strike lines 46 through 47 and insert:

“2. Any balances in this paragraph remaining at end of the fiscal year shall be carried forward and reappropriated.”

Explanation:

(This amendment clarifies language concerning the reappropriation of life science funding.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 42: Remove study language related to VSDB campus police department and contingent funding

Item 116

Education

FY 24-25

FY 25-26

Secretary of Education

(\$75,000)

\$0 GF

Language:

Page 126, line 4, strike “\$923,147” and insert “\$848,147”.

Page 126, strike lines 37 through 54.

Page 127, strike line 1.

Explanation:

(This amendment removes the requirement for the Secretary of Education to review the need to establish a campus police department at the Virginia School for the Deaf and the Blind (VSDB) and strikes funding provided to support the increased cost of benefits for campus police officers, to be transferred to VSDB contingent on future legislation. A corresponding amendment under VSDB authorizes establishment of a campus police department and appropriates the funds directly to the agency.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 43: Modify language for Math Initiative and Grant Program Item 117

Education

Department of Education, Central Office
Operations

Language

Language:

Page 130, strike lines 35 through 47, and insert: “2. The Department shall: (i) oversee and track mathematics instruction, assessment scores, and learning outcomes in the Commonwealth to identify potential areas for improvement; (ii) identify evidence-based and proven best practices to improve mathematics instruction and student performance; (iii) establish the framework for and support the implementation of professional development strategies for educators and school systems; (iv) administer state funds provided to school divisions as appropriate; (v) collaborate with school boards and division superintendents to support the implementation of competency-based and evidence-based mathematics learning, provide recommendations on best practices, and facilitate professional development opportunities for educators; (vi) oversee the statewide professional development framework for evidence-based teacher training, provide instructional guides and evidence-based resources, and facilitate regional professional development networks on improving mathematics; and (vii) collect data to analyze student mathematics progress and report the impact on student success across the Commonwealth.”

Page 130, line 48, strike “one or more” and insert “a”.

Page 130, line 49, strike “Forces” and insert “Force”.

Page 130, line 51, after “school administrators,” insert “ parents, business leaders,”

Page 130, line 52, strike “representatives from education interest groups” and insert “other stakeholders”.

Page 130, strike lines 53 through 57.

Page 131, strike line 1.

Page 131, strike lines 2 through 8, and insert:

“4.a. Of this amount, \$10,000,000 the first year from the general fund is provided for grants to local school divisions for mathematics curriculum, high quality instructional materials, competency-based/mastery learning models, and regional network support to improve instruction for high-need student groups. Priority shall be given to schools preliminarily identified as off track and needs intensive support and that had performance gaps in overall grade level math or math student group performance as identified in 2024 Standards of Learning (SOL) mathematics assessment results.”

Page 131, strike lines 13 through 21, and insert:

“5. Of this amount, \$1,000,000 the first year from the general fund is provided for expanded access to online advanced math programming and expanded math experts through innovative math teacher credentialing

2025 Reconvened Session Executive Amendments (HB 1600)

options. Any funds appropriated for this purpose that are unexpended by June 30, 2025, shall not revert to the general fund and shall be reappropriated in the second year for the same purpose.”

Page 131, strike line 25 and insert “overall program activities and strategies used to impact student mathematics outcomes; (ii)”.

Page 131, line 27, after “expanded”, strike the remainder of the line and insert “advanced virtual mathematics course offerings and increased math educator professionals;”.

Page 131, line 28, strike “professional development opportunities for mathematics instructors; (v)” and insert “(iv)”.

Page 131, line 29, strike “Forces” and insert “Force”.

Page 131, line 29, strike “(vi)” and insert “(v)”.

Explanation:

(This amendment makes several changes to the administration of the new Math Initiative and Grant Program to support the improvement of mathematics education and instruction in public schools in the Commonwealth.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 44: Support increased cost of assessment contract extensions
Item 119**

| Education | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Education, Central Office Operations | \$6,226,381 | \$19,541,151 | GF |

Language:

Page 134, line 5, strike “\$40,551,012” and insert “\$46,777,393”.

Page 134, line 5, strike “\$46,917,836” and insert “\$66,458,987”.

Page 134, line 14, strike the first “\$25,380,678” and insert “\$31,607,059”.

Page 134, line 14, strike the second “\$25,380,678” and insert “\$44,921,829”.

Page 134, line 17, after “program.” insert “Of this amount, \$6,226,381 the first year and \$19,541,151 the second year shall be unallotted. Prior to the allotment of these funds, the Department of Education shall provide an updated report to the Secretary of Education, the Secretary of Finance, and the Department of Planning and Budget on the annual contract cost, including any extensions through December 31, 2027, as directed in paragraph A.2.b., and the Department’s available general fund and nongeneral fund sources to support those costs. The Department of Education shall maximize available nongeneral funds to support the cost of the existing assessment contract and the directed extensions. Any balances for the purposes specified in this paragraph and paragraph A.2.b. that are unexpended on June 30, 2025, or June 30, 2026, that are required to meet contract obligations through December 31, 2027, shall not revert to the general fund but shall be reappropriated for expenditure in the next fiscal year for the same purpose. Any general fund not required to meet contract obligations shall remain unallotted.”

Explanation:

(This amendment provides additional funding to support the increased cost of the directed assessment extensions through December 31, 2027.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 45: Establish School Performance and Support Framework Resource Hub
Item 120**

| Education | FY 24-25 | FY 25-26 |
|---|-----------------|-----------------|
| Department of Education, Central Office Operations | \$25,000,000 | \$0 GF |

Language:

Page 135, line 41, strike “\$10,039,341” and insert “\$35,039,341”.

Page 136, after line 32, insert “E. 1. Out of this appropriation, \$25,000,000 the first year from the general fund is provided for infrastructure, technical training, and evidence-based supports needed for schools identified as Needs Intensive Support or Off Track and divisions with Needs Intensive Support or Off Track schools as designated by the Board of Education's School Performance and Support Framework. These funds shall only be expended on specific uses and amounts that are approved by the Board of Education, in consultation with the Department. Any balances for the purposes specified in this paragraph that are unexpended on June 30, 2025, and June 30, 2026, shall not revert to the general fund but shall be reappropriated for expenditure in the next fiscal year for the same purpose.

2. The funds provided in this initiative shall be used to support data-driven, evidence-based supports focused on the following priorities: a) Leadership Development including principal training, mentorship, and coaching, as well as instructional leadership training; b) Mastery and Growth Supports including grants for schools to partner with non-profits specializing in school improvement techniques with proven results at improving student outcomes; and providing additional Virginia Literacy Act implementation support; c) Readiness Supports including an infrastructure platform for academic career plans, college and career readiness, and work-based learning; a statewide attendance and data dashboard; start-up grants for middle school advanced courses; guidance counselor training and support; and seat time flexibility support; and d) partnering with a research institution to capture best practices from Virginia's high performing economically disadvantaged schools to scale proven practices to other economically disadvantaged schools that are low performing and inform peer mentorship.”

Explanation:

(This amendment restores funding for the School Performance and Support Framework Resource Hub to support infrastructure, technical training, and evidence-based supports needed for schools identified as Off Track or Needs Intensive Support.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 46: Remove staffing requirement

Item 120

Education

Department of Education, Central Office
Operations

Language

Language:

Page 136, strike lines 29 through 32.

Explanation:

(This amendment removes language that establishes a staffing requirement for the Office of School Quality.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 47: Authorize carry forward of support for the statewide Learning Management System
Item 123**

Education

Department of Education, Central Office
Operations

Language

Language:

Page 138, line 16, after “resources.” insert “These funds shall not revert to the general fund at the end of fiscal year 2025 but shall be reappropriated for expenditure for the same purpose in fiscal year 2026.”.

Explanation:

(This amendment adds language directing that any funds not expended shall be carried forward into the next fiscal year to allow the statewide Learning Management System to be supported in FY 2026.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 48: Support Virginia’s Visualization and Analytics Solution
Item 123**

| Education | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Education, Central Office Operations | \$1,900,000 | \$3,100,000 | GF |

Language:

Page 136, line 36, strike “\$32,432,418” and insert “\$34,332,418”.

Page 136, line 36, strike “\$28,169,584” and insert “\$31,269,584”.

Explanation:

(This amendment provides funding to support Virginia’s Visualization and Analytics Solution.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 49: Modify additional support for Communities in Schools grants
Item 124**

| Education | FY 24-25 | FY 25-26 |
|--------------------------------|-----------------|-----------------|
| Direct Aid to Public Education | (\$1,000,000) | \$0 GF |

Language:

Page 138, line 36, strike “\$90,684,567” and insert “\$89,684,567”.

Page 139, line 21, strike “\$5,000,000” and insert “\$4,000,000”.

Page 140, line 45, strike “\$90,684,567” and insert “\$89,684,567”.

Page 151, line 46, strike “\$5,000,000” and insert “\$4,000,000”.

Explanation:

(This amendment provides \$1,500,000 in additional one-time support for Community Schools Development and Implementation Planning Grants.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 50: Modify support for the Children’s Museum of Richmond
Item 124**

| Education | FY 24-25 | FY 25-26 |
|--------------------------------|-----------------|-----------------|
| Direct Aid to Public Education | (\$250,000) | \$0 GF |

Language:

Page 138, line 36, strike “\$90,684,567” and insert “\$90,434,567”.

Page 139, line 17, strike “\$750,000” and insert “\$500,000”.

Page 140, line 45, strike “\$90,684,567” and insert “\$90,434,567”.

Page 153, line 21, strike “\$750,000” and insert “\$500,000”.

Explanation:

(This amendment provides \$500,000 in one-time support for educational programming at the Children's Museum of Richmond.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 51: Modify support for Opportunity Scholars

Item 124

Education

| | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | (\$200,000) | \$0 | GF |

Language:

Page 138, line 36, strike "\$90,684,567" and insert "\$90,484,567".

Page 139, line 47, strike "\$500,000" and insert "\$300,000".

Page 140, line 45, strike "\$90,684,567" and insert "\$90,484,567".

Page 152, line 52, strike "\$500,000" and insert "\$300,000".

Explanation:

(This amendment provides \$300,000 to support Opportunity Scholars in expanding programming to Hampton Roads and Northern Virginia.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 52: Modify support for the YMCA of Hampton Roads

Item 124

Education

| | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | (\$200,000) | \$0 | GF |

Language:

Page 138, line 36, strike “\$90,684,567” and insert “\$90,484,567”.

Page 140, line 43, strike “\$500,000” and insert “\$300,000”.

Page 140, line 45, strike “\$90,684,567” and insert “\$90,484,567”.

Page 153, line 16, strike “\$500,000” and insert “\$300,000”.

Explanation:

(This amendment provides \$300,000 for the YMCA of South Hampton Roads to support youth programming.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 53: Remove additional Teach for America support
Item 124**

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | (\$250,000) | \$0 | GF |

Language:

Page 138, line 36, strike “\$90,684,567” and insert “\$90,434,567”.

Page 140, line 22, unstrike the first “\$500,000”.

Page 140, line 23, strike “\$750,000”.

Page 140, line 45, strike “\$90,684,567” and insert “\$90,434,567”.

Page 145, line 42, unstrike the first “\$500,000” and strike “\$750,000”.

Page 145, line 45, after “schools.”, strike the remainder of the line.

Page 145, strike lines 46 through 48.

Page 145, line 49, strike the beginning of the line through “2026.”

Explanation:

(This amendment removes additional support provided for Teach for America in specific regions.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 54: Remove Support for Virginia Leads Innovation Network

Item 124

Education

| | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | \$0 | (\$250,000) | GF |

Language:

Page 138, line 36, strike "\$51,944,567" and insert "\$51,694,567".

Page 140, strike line 36.

Page 140, line 45, strike "\$51,944,567" and insert "\$51,694,567".

Page 153, strike lines 7 through 10.

Page 153, line 11, strike "MMM" and insert "LLL".

Page 153, line 16, strike "NNN" and insert "MMM".

Page 153, line 18, strike "OOO" and insert "NNN".

Page 153, line 21, strike "PPP" and insert "OOO".

Explanation:

(This amendment removes support provided for the Virginia Leads Innovation Network.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 55: Increase support for school construction

Item 125

Education

| | FY 24-25 | FY 25-26 |
|--------------------------------|-----------------|-----------------|
| Direct Aid to Public Education | \$50,000,000 | \$0 NGF |

Language:

Page 153, line 26, strike “\$10,531,610,874” and insert “\$10,581,610,874”.

Page 155, line 6, strike “\$200,000,000” and insert “\$250,000,000”.

Page 155, line 12, strike “\$826,897,932” and insert “\$876,897,932”.

Page 187, line 18, after “Fund” insert “ and \$50,000,000 the first year from the Literary Fund that shall be transferred into the School Construction Fund”.

Explanation:

(This amendment increases support for the School Construction Assistance Program in FY 2025 with a one-time deposit of \$50.0 million from the Literary Fund to the School Construction Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 56: Modify the funded support position staffing ratio
Item 125**

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | \$0 | (\$138,150,192) | GF |

Language:

Page 153, line 26, strike "\$10,796,667,828" and insert "\$10,658,517,636".

Page 154, line 12, strike "\$4,693,027,373" and insert "\$4,579,288,851".

Page 154, line 23, strike "\$52,782,732" and insert "\$51,760,403".

Page 154, line 25, strike "\$628,692,984" and insert "\$612,323,953".

Page 154, line 37, strike "\$9,031,364,664" and insert "\$8,900,234,782".

Page 154, line 40, strike "\$376,360,450" and insert "\$369,373,413".

Page 154, line 42, strike "\$29,761,333" and insert "\$29,728,060".

Page 155, line 12, strike "\$801,751,774" and insert "\$794,731,464".

Page 155, line 28, strike "\$242,477,891" and insert "\$242,288,288".

Page 155, line 45, strike "\$10,949,677" and insert "\$11,134,681".

Page 156, line 3, strike "\$930,147" and insert "\$934,746".

Page 167, line 45, strike "27.89" and insert "25.50".

Page 168, line 26, strike "\$628,692,984" and insert "\$612,323,953".

Page 168, line 27, strike "\$242,477,891" and insert "\$242,288,288".

Page 169, line 21, strike "\$10,949,677" and insert "\$11,134,681".

Page 181, line 34, strike "\$1,722,016" and insert "\$1,688,743".

Page 186, line 8, strike "\$376,360,450" and insert "\$369,373,413".

Page 186, line 34, strike "\$1,722,016" and insert "\$1,688,743".

Explanation:

(This amendment modifies the funded support position staffing ratio to 25.50 support positions per 1,000 students in average daily membership. This provides an additional \$84.8 million general fund over Chapter 2, 2024 Acts of Assembly, Special Session I, to support the state share of these positions in FY 2026.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 57: Provide additional support for College Partnership Laboratory Schools

Item 125

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | \$10,000,000 | \$0 | GF |

Language:

Page 153, line 26, strike “\$10,531,610,874” and insert “\$10,541,610,874”.

Page 155, after line 10, insert “College Partnership Laboratory Schools \$10,000,000 \$0”.

Page 155, line 12, strike “\$826,897,932” and insert “\$836,897,932”.

Page 189, after line 8, insert:

“45. College Partnership Laboratory Schools

Out of this appropriation, \$10,000,000 the first year from the general fund is provided to the College Partnership Laboratory School Fund established pursuant to § 22.1-349.2, Code of Virginia. Notwithstanding paragraphs B.31.a. and B.31.b. of this Item, the Board of Education is authorized to award funds to any institution eligible to establish a College Partnership Laboratory School pursuant to § 22.1-349.1., Code of Virginia, for planning grants, startup grants, or per pupil operating cost grants, pursuant to guidelines established by the Board. The Department shall report to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees any awards approved pursuant to this language.”

Explanation:

(This amendment provides additional funding for deposit to the College Partnership Laboratory School Fund in support of new and existing lab schools.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 58: Provide Virginia Opportunity Scholarships

Item 125

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | \$0 | \$25,000,000 | GF |

Language:

Page 153, line 26, strike “\$10,796,667,828” and insert “\$10,821,667,828”.

Page 155, after line 10, insert “Virginia Opportunity Scholarships \$0 \$25,000,000”.

Page 155, line 12, strike “\$801,751,774” and insert “\$826,751,774”.

Page 189, after line 8, insert:

“45. Virginia Opportunity Scholarships

a. Out of this appropriation, \$25,000,000 the second year from the general fund is provided to establish the Virginia Opportunity Scholarship program.

b. The program shall provide grant awards for qualified students, defined as a resident of the Commonwealth who (i) is eligible to enroll in a public elementary or secondary school and attends a public elementary or secondary school in the Commonwealth for at least one academic year immediately preceding the semester or term for which the student initially applies for the program, or (ii) is starting kindergarten or is attending first grade for the first time, and (iii) whose household income does not exceed twice the federal income eligibility guidelines for free school meals.

c. Grant awards shall be used to support qualified expenses of attending an accredited private school in the Commonwealth, including tuition, fees, textbooks, transportation, uniforms, and other specialized education programs as defined in program guidelines. Grant awards shall be \$5,000 per student per academic year.

d. The Board of Education, in consultation with the Department of the Treasury, shall establish program guidelines, including eligibility requirements and administrative requirements for the Virginia Opportunity Scholarship program. The program shall be managed by the Department of the Treasury in accordance with such guidelines. The Department of Education is authorized to transfer funds in this paragraph to the Department of the Treasury to support payments on behalf of participating students. The Department of Education and the Department of the Treasury shall determine appropriate fees to be charged to cover administrative expenses.

e. The Department of Education shall report annually the total student participation by Superintendent's region as a part of the Board of Education's Annual Report on the Condition and Needs of Public Schools in Virginia.

f. Any balances for the purposes specified in this paragraph that are unexpended on June 30, 2026, shall not revert to the general fund but shall be reappropriated for expenditure in the next fiscal year for the same purpose.

2025 Reconvened Session Executive Amendments (HB 1600)

g. Notwithstanding any other provision of law, funds awarded to a student or received by a parent from this program shall not be considered taxable income to the parent for the purpose of determining a student's eligibility to receive a scholarship from a scholarship foundation pursuant to § 58.1-439.25 through § 58.1-439.28, Code of Virginia.”

Explanation:

(This amendment provides funding for Virginia Opportunity Scholarships to award grants to eligible economically disadvantaged students to cover the costs of attending an accredited private school in the Commonwealth.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 59: Waive repayment requirement

Item 125

Education

Direct Aid to Public Education

Language

Language:

Page 161, line 53, after “occurs.”, insert: “Highland County shall be exempt from this requirement in fiscal year 2025 for expenditures made in fiscal year 2024.”

Page 162, line 42, after “occurred.”, insert: “Highland County shall be exempt from this requirement in fiscal year 2025 for expenditures made in fiscal year 2024.”

Explanation:

(This amendment waives the requirement for Highland County to pay funds to the state treasury in FY25 as a result of a shortfall in FY24 local match expenditures.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 60: Defer implementation of Small Family Day Home Provider Incentive Pilot Program
Item 125.10**

| Education | FY 24-25 | FY 25-26 |
|--------------------------------|-----------------|-----------------|
| Direct Aid to Public Education | (\$400,000) | \$0 GF |

Language:

Page 189, line 11, strike “\$585,580,474” and insert “\$585,180,474”.

Page 198, strike lines 13 through 17.

Page 198, line 18, strike "L" and insert “K”.

Explanation:

(This amendment defers implementation of the Small Family Day Home Provider Incentive Pilot Program in accordance with the Governor’s amendments to HB1833.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 61: Serve additional children through modified Early Childhood Care and Education program requirements

Item 125.10

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Direct Aid to Public Education | (\$25,000,000) | \$7,500,000 | GF |

Language:

Page 189, line 10, strike "\$593,210,086" and insert "\$600,710,086".

Page 189, line 11, strike "\$585,580,474" and insert "\$560,580,474".

Page 189, after line 32, insert " 43,550 slots 51,624 slots".

Page 189, line 33, strike "\$266,500,894" and insert "\$281,834,472".

Page 189, line 41, strike "\$424,884,041" and insert "\$440,217,619".

Page 189, after line 43, insert " 2,530 slots 2,630 slots".

Page 189, line 46, strike "\$123,236,076" and insert "\$115,402,498".

Page 189, line 50, strike "\$156,352,996" and insert "\$148,519,418".

Page 189, strike lines 52 through 53.

Page 190, line 1, strike "\$461,691,610" and insert "\$469,191,610".

Page 190, line 2, strike "\$391,312,192" and insert "\$366,312,192".

Page 190, line 37, strike "5%" and insert "7%".

Page 190, line 38, strike "5%" and insert "7%".

Page 190, after line 47, insert: "7. To promote school readiness and support working parents with birth-to-five children, no additional school-age children may be enrolled in the Child Care Subsidy Program as of July 1, 2025, unless they qualify as hard-to-serve. The Department of Education shall define "hard-to-serve" no later than July 1, 2025."

Page 193, line 48, after "0.5000", insert "in fiscal year 2025 only".

Page 197, strike lines 9 through 10 and insert: "1. The appropriateness of resuming enrollment of school-age children in the Child Care Subsidy Program and potential adjustments to CCSP reimbursement rates for school-age children."

Page 197, strike lines 28 through 54.

Page 198, strike lines 1 through 12.

Explanation:

(This amendment modifies support for Early Childhood programs to serve 2,878 additional birth-to-five children in the Child Care Subsidy Program (CCSP) in FY26 above the enrolled budget by 1) providing \$7.5 million additional general fund for CCSP, 2) restricting maximum copays to 7% of family income, 3) restricting new CCSP enrollments to birth-to-five age children, and 4) removing a cap on the local composite index of ability to pay for the Virginia Preschool Initiative and redirecting state savings of \$7.8 million to CCSP. Additionally, this amendment removes funding for an employee child care assistance pilot program.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 62: Authorize establishment of campus police department

Item 129

| | | | |
|--|-----------------|-----------------|----|
| Education | FY 24-25 | FY 25-26 | |
| Virginia School for the Deaf and the Blind | \$0 | \$75,000 | GF |

Language:

Page 201, line 7, strike “Not set out.” and insert:

| | | |
|--|----------------------------|---|
| “Item 129 | First Year - FY2025 | Second Year - FY2026 |
| Administrative and Support Services (19900) | \$3,988,607 | \$3,437,434 \$3,512,434 |
| General Management and Direction (19901) | \$3,988,607 | \$3,437,434 \$3,512,434 |
| Fund Sources: | | |
| General | \$3,715,900 | \$3,164,727 \$3,239,727 |
| Special | \$219,237 | \$219,237 |
| Federal Trust | \$53,470 | \$53,470 |

Authority: Title 22.1, Chapter 19, Code of Virginia.

A. Notwithstanding any other provision of law, the Virginia School for the Deaf and the Blind is authorized to retain the income generated by the rental of facilities on the Staunton campus to outside entities.

B. *Notwithstanding any other provision of law, the Board of Visitors of the Virginia School for the Deaf and the Blind may establish, in compliance with the provisions of Article 3 (§ 23.1-809 et seq.) of Chapter 8 of Title 23.1, Code of Virginia, a campus police department and employ campus police officers upon appointment as provided in § 23.1-812, Code of Virginia. Campus police officers appointed and employed by the Virginia School for the Deaf and the Blind shall be eligible for the Virginia Law Officers’ Retirement System pursuant to Chapter 2.1 of Title 51.1 (§ 51.1-211 et seq.), Code of Virginia, and Line of Duty Act benefits pursuant to Chapter 4 of Title 9.1 (§ 9.1-400 et seq.), Code of Virginia.”*

Explanation:

(This amendment authorizes VSDB to establish a campus police department and provides ongoing funding to support increased rates for the VaLORS and LODA premiums.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 63: Modify additional support for the Tuition Assistance Grant
Item 130**

| Education | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| State Council of Higher Education for Virginia | \$0 | (\$2,500,000) | GF |

Language:

Page 201, line 11, strike “\$265,288,512” and insert “\$262,788,512”.

Page 201, line 28, strike “\$112,325,881” and insert “\$109,825,881”.

Explanation:

(This amendment provides \$7.5 million additional general fund support for the Tuition Assistance Grant program.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 64: Provide tuition assistance to nursing students at Hispanic-Serving Institutions Item 130

| Education | FY 24-25 | FY 25-26 | |
|--|---------------|-------------|----|
| State Council of Higher Education for Virginia | (\$1,800,000) | \$1,500,000 | GF |

Language:

Page 201, line 11, strike "\$275,788,512" and insert "\$273,988,512".

Page 201, line 11, strike "\$265,288,512" and insert "\$266,788,512".

Page 201, line 27, unstrike "\$102,325,881" and strike "\$104,125,881".

Page 203, strike lines 11 through 16.

Page 205, after line 41, insert:

"K.1. Out of this appropriation, \$1,500,000 the second year from the general fund is designated to provide awards to students enrolled at any institution that (i) meets the eligibility requirements under § 23.1 628, Code of Virginia, (ii) is designated by the U.S. Department of Education as a Hispanic-Serving Institution (HSI), and (iii) is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). Such students shall be eligible for a payment of up to \$2,500 per year.

2. The State Council of Higher Education for Virginia shall establish a process and publish a reasonable annual deadline for applications for these funds. The Council shall annually determine the award amount for each student based on the number of students applying for participation and the funds appropriated.

3. To be eligible for an award, each student must (i) meet the domicile requirements provided in § 23.1-502, Code of Virginia, and the Council's domicile guidelines, (ii) complete the Free Application for Federal Student Aid, and (iii) be eligible to receive federal financial aid pursuant to 20 U.S. Code § 1091. The Council may request information deemed necessary from the enrolling institution or the student to confirm eligibility for awards. Eligibility for these awards is limited to a total of four academic years for undergraduate students and a total of three academic years for graduate students. The academic years for which grants are awarded need not be in succession.

4. Students receiving awards pursuant to this grant program shall remain eligible to receive Tuition Assistance Grant awards pursuant to paragraph C of this item.

5. The Council is authorized to make payments directly to the enrolling institution on behalf of eligible students awarded funding. Any institution receiving funds on behalf of an enrolled student shall promptly credit disbursed funds to student accounts and expeditiously distribute any refunds due recipients."

Explanation:

(This amendment provides tuition assistance to undergraduate or graduate nursing students at any eligible Virginia institution designated by the U.S. Department of Education as a Hispanic-Serving Institution.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 65: Modify support for waiver programs

Item 130

| Education | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|-----|
| State Council of Higher Education for Virginia | (\$10,000,000) | \$0 | GF |
| | \$60,000,000 | \$60,000,000 | NGF |

Language:

Page 201, line 11, strike “\$275,788,512” and insert “\$325,788,512”.

Page 201, line 11, strike “\$265,288,512” and insert “\$325,288,512”.

Page 205, line 32, strike “\$75,000,000” and insert “\$65,000,000”.

Page 205, line 33, after “fund”, insert “and \$60,000,000 the first year and \$60,000,000 the second year from nongeneral funds”.

Page 205, line 36, after “funds.”, insert:

“Allocations in each fiscal year shall be based on the amount of tuition and fees waived at each institution in that fiscal year. The Council may provide preliminary allocations of up to 60 percent of the estimated impact to each institution in each fiscal year and shall distribute any remaining amounts up to the full impact to each institution, based on the best available data, prior to the close of each fiscal year. The Council may request information from each institution and the Department of Veterans Services as needed to develop these estimates and final payments.”

Page 205, after Line 41, insert:

“5. Nongeneral fund amounts appropriated represent funds directed to this program pursuant to Item 482 of this act. The Council shall incorporate any amounts directed in this manner when determining allocations to public higher education institutions in each fiscal year.”

Explanation:

(This amendment redirects additional general fund support provided for waiver programs and directs \$60.0 million per year in nongeneral fund resources to support waiver programs.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 66: Provide ongoing support for the Workforce Credential Grant Program
Item 130**

| Education | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| State Council of Higher Education for Virginia | \$0 | \$2,500,000 | GF |

Language:

Page 201, line 11, strike “\$265,288,512” and insert “\$267,788,512”.

Page 204, line 35, strike “\$23,750,000” and insert “\$26,250,000”.

Explanation:

(This amendment increases ongoing support for the Workforce Credential Grant Program by \$2.5 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 67: Modify language for transfer of internship responsibilities to Virginia Works
Item 132**

Education

State Council of Higher Education for
Virginia

Language

Language:

Page 207, line 42, strike “Virginia Economic Development Partnership (VEDP)” and insert “Department of Workforce Development and Advancement (“Virginia Works”)”.

Page 207, line 44, strike the first “Item 113.T.” and insert “Item 354”.

Page 207, line 44, strike “VEDP” and insert “Virginia Works”.

Page 207, line 44, strike the second “Item 113.T.” and insert “Item 354”.

Page 208, line 26, strike “the Virginia Economic”.

Page 208, line 27, strike “Development Partnership” and insert “Virginia Works”.

Page 208, line 27, strike “authority’s”.

Page 208, line 28, strike “Item 113.T” and insert “Item 354”.

Page 208, line 36, strike “VEDP” and insert “Virginia Works”.

Page 208, line 41, strike “VEDP” and insert “Virginia Works”.

Page 208, line 46, strike “VEDP” and insert “Virginia Works”.

Explanation:

(This amendment modifies language to reflect the transfer of the funding for business-related aspects of the Innovative Internship Program from the Virginia Economic Development Partnership to the Department of Workforce Development and Advancement (Virginia Works).)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 68: Modify support for Captains Pathways
Item 136**

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------|-----------------|-----------------|----|
| Christopher Newport University | (\$50,000) | \$0 | GF |

Language:

Page 212, line 8, strike “\$115,578,516” and insert “\$115,528,516”.

Explanation:

(This amendment provides \$250,000 to increase transfer opportunities for students enrolled in community college.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 69: Redirect support for Community Law Clinic
Item 140**

| Education | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| The College of William and Mary in Virginia | (\$500,000) | \$0 | GF |

Language:

Page 213, line 35, strike "\$291,471,785" and insert "\$290,971,785".

Explanation:

(This amendment redirects support for the William and Mary Community Law Clinic.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 70: Redirect support for Gamage Democracy Fellowship
Item 140**

| Education | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| The College of William and Mary in Virginia | (\$500,000) | \$0 | GF |

Language:

Page 213, line 35, strike "\$291,471,785" and insert "\$290,971,785".

Explanation:

(This amendment redirects support for the Gamage Democracy Fellowship.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 71: Remove requirement for water quality study
Item 148**

| Education | FY 24-25 | FY 25-26 | |
|--------------------------------------|-----------------|-----------------|----|
| Virginia Institute of Marine Science | (\$880,000) | \$0 | GF |

Language:

Page 218, line 19, strike “\$34,181,726” and insert “\$33,301,726”.

Explanation:

(This amendment removes funds provided to study the cumulative impacts of surface water intakes on aquatic fauna and water quality in the Chesapeake Bay and its major Virginia tributaries.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 72: Modify additional one-time operating support
Item 151**

| Education | FY 24-25 | FY 25-26 | |
|-------------------------|-----------------|-----------------|----|
| George Mason University | (\$1,000,000) | \$0 | GF |

Language:

Page 220, line 28, strike “\$808,632,881” and insert “\$807,632,881”.

Explanation:

(This amendment provides \$2.0 million to support operating costs at George Mason University.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 73: Modify support for Small Business Development Center
Item 151**

| Education | FY 24-25 | FY 25-26 | |
|-------------------------|-----------------|-----------------|----|
| George Mason University | (\$200,000) | \$0 | GF |

Language:

Page 220, line 28, strike “\$808,632,881” and insert “\$808,432,881”.

Page 222, after line 27, insert:

“L. Out of this appropriation, \$500,000 the first year from the general fund is provided to support the Mason Small Business Development Center. George Mason University shall report to the Governor and the General Assembly on the use of these funds and success metrics, including how these funds support critical workforce development programs across the Commonwealth and facilitate current and future innovators and entrepreneurs to address regional, state, national, and global economic opportunities.”

Explanation:

(This amendment provides \$500,000 to support GMU's Small Business Development Center. Additionally, this amendment requires a report to the Governor and General Assembly on activity levels and success metrics.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 74: Modify support for public and private HBCU collaboration
Item 163**

| Education | FY 24-25 | FY 25-26 | |
|--------------------------|-----------------|-----------------|----|
| Norfolk State University | (\$2,000,000) | \$0 | GF |

Language:

Page 227, line 6, strike “\$159,766,399” and insert “\$157,766,399”.

Explanation:

(This amendment provides \$8.0 million to continue and expand the ongoing HBCU collaboration that includes Norfolk State University, Virginia State University, Hampton University, and Virginia Union University.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 75: Modify additional one-time operating support

Item 167

| Education | FY 24-25 | FY 25-26 | |
|-------------------------|-----------------|-----------------|----|
| Old Dominion University | (\$2,000,000) | \$0 | GF |

Language:

Page 230, line 20, strike “\$398,280,097” and insert “\$396,280,097”.

Explanation:

(This amendment provides \$5.0 million to support operating costs at Old Dominion University.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 76: Advance Cancer Research in the Commonwealth

Item 196

| Education | FY 24-25 | FY 25-26 |
|----------------------------------|-----------------|-----------------|
| Virginia Commonwealth University | \$3,000,000 | \$0 GF |

Language:

Page 246, line 43, strike “\$356,394,910” and insert “\$359,394,910”.

Page 247, line 2, strike the first “\$22,500,000” and insert “\$25,500,000”.

Page 247, line 6, after “research.” insert “Of these amounts, \$3,000,000 the first year shall be used for one-time expenses.”

Explanation:

(This amendment provides additional funding to support one-time expenses of VCU Massey Cancer Center in support of cancer research.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 77: Authorize use of existing balances to support the College and Career Ready Virginia Program
Item 201**

Education

Virginia Community College System

Language

Language:

Page 257, after line 2, insert:

“9. a. Any general fund appropriation in the G3 Program that is unexpended at the close of business on June 30 each fiscal year shall not revert to the general fund but shall be reappropriated in the following fiscal year. Such reappropriated funds may be used to support the G3 Program based on actual demand in this program, or such funds may be transferred to the College and Career Ready Virginia (CCRV) Fund established pursuant to § 22.1-237.2, Code of Virginia, to support actual demand under the CCRV Program.

b. Additionally, within each fiscal year, the Director, Department of Planning and Budget may transfer unobligated G3 Program appropriation that is not required to meet existing or projected G3 Program demand to the CCRV Fund to support actual demand under the CCRV Program.

c. The Virginia Community College System shall report to the Secretary of Education, the Secretary of Finance, the Director of the Department of Planning and Budget, and the Superintendent of Public Instruction on demand within the G3 Program and the CCRV Program and projected funds available for redirection 30 calendar days prior to requesting any transfer in accordance with paragraph D.9.b.”

Explanation:

(This amendment restores introduced language authorizing VCCS to use G3 Program balances to support the CCRV Program ongoing based on actual demand in each program.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 78: Provide initial support for the College and Career Ready Virginia Program Item 201

Education

Virginia Community College System

Language

Language:

Page 257, after line 2, insert:

“E.1. Notwithstanding any other provision of law, in fiscal year 2026, the Director, Department of Planning and Budget shall make a one-time transfer of \$20,000,000 general fund from the reappropriated G3 Program balances to the CCRV Fund.

2.a. Notwithstanding § 22.1-237.1 through § 22.1-237.5, Code of Virginia, the CCRV Program and Fund shall include support for qualified public high school students to complete noncredit workforce training and credentialing through the Virginia Community College System (VCCS) training programs eligible for the New Economy Workforce Credential Grant Program (VCCS FastForward Program) at no cost to such students and at no cost to the local school divisions.

b. The CCRV Program student eligibility and admission requirements established by the Department of Education and the VCCS pursuant to subdivision 3 of § 22.1-237.4, Code of Virginia, shall incorporate eligibility and admission of qualified public high school students for noncredit workforce training and credentialing through the VCCS FastForward Program.

c. Beginning with course registration for the fall term of the 2025 academic year, qualified public high school students enrolled in the VCCS FastForward Program shall be excluded from the VCCS reimbursement requests submitted to the State Council of Higher Education for Virginia under the New Economy Workforce Credential Grant Program.

d. The CCRV data collections and reports on student outcomes, including those required pursuant to § 22.1-237.4, Code of Virginia, shall include qualified public high school students enrolled in noncredit workforce training through the VCCS FastForward Program.”

Explanation:

(This amendment directs a deposit of \$20.0 million from G3 Program balances to the CCRV Fund to support initial costs of the CCRV Program and restores introduced language expanding the CCRV Program to include workforce credentialing.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 79: Modify support for increased enrollment at Virginia Tech Carilion School of Medicine
Item 211**

| Education | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Virginia Polytechnic Institute and State University | (\$1,500,000) | \$0 | GF |

Language:

Page 261, line 33, strike “\$1,031,635,882” and insert “\$1,030,135,882”.

Explanation:

(This amendment provides \$5.0 million for enrollment growth at the Virginia Tech Carilion School of Medicine.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 80: Remove supplemental payment authority for Virginia Tech Carilion School of Medicine
Item 211**

Education

Virginia Polytechnic Institute and State
University

Language

Language:

Page 263, strike lines 26 through 35.

Explanation:

(This amendment removes authority for the Virginia Tech Carilion School of Medicine to transfer funds to the Department of Medical Assistance Services for Medicaid supplemental payments and managed care directed payments to primary teaching hospitals affiliated with Virginia Tech Carilion School of Medicine.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 81: Modify support for public and private HBCU collaboration

Item 217

| Education | FY 24-25 | FY 25-26 | |
|---------------------------|-----------------|-----------------|----|
| Virginia State University | (\$2,000,000) | \$0 | GF |

Language:

Page 267, line 9, strike “\$133,486,443” and insert “\$131,486,443”.

Explanation:

(This amendment provides \$8.0 million to continue and expand the ongoing HBCU collaboration that includes Norfolk State University, Virginia State University, Hampton University, and Virginia Union University.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 82: Support Elegba Folklore Society
Item 231**

| Education | FY 24-25 | FY 25-26 | |
|----------------------------------|-----------------|-----------------|----|
| Virginia Commission for the Arts | (\$100,000) | \$0 | GF |

Language:

Page 274, line 20, strike “\$8,430,398” and insert “\$8,330,398”.

Page 274, line 39, strike “\$250,000” and insert “\$150,000”.

Explanation:

(This amendment provides \$150,000 from the general fund the first year to support programs provided by the Elegba Folklore Society in the City of Richmond.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 83: Support increased grant awards

Item 231

| Education | FY 24-25 | FY 25-26 | |
|----------------------------------|-----------------|-----------------|----|
| Virginia Commission for the Arts | (\$750,000) | \$0 | GF |

Language:

Page 274, line 20, strike “\$8,430,398” and insert “\$7,680,398”.

Explanation:

(This amendment provides additional support of \$1,250,000 from the general fund 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.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 84: Address agency status

Item 234

| Education | FY 24-25 | FY 25-26 | |
|-----------------------|-----------------|-----------------|----|
| New College Institute | (\$500,000) | \$0 | GF |

Language:

Page 275, line 46, unstrike “\$4,686,850”.

Page 275, line 47, strike “\$5,186,850”.

Page 276, after line 15, insert:

“D.1. The Board of Directors of New College Institute in collaboration with representatives of GO Virginia Region 3, the Institute for Advanced Learning and Research, Patrick and Henry Community College, local school boards, major regional employers, and the Martinsville-Henry County Academic Foundation shall develop a sustainability plan, including a comprehensive business plan and customer recruitment and expansion strategy, to provide higher education degree and certification programs in accordance with its mission. New College Institute shall review options to achieve stated goals and shall report on these options to the Governor, the Chair of the Senate Finance and Appropriations Committee, and the Chair of the House Appropriations Committee no later than August 1, 2025.

2. Options shall include, but not be limited to: continued operation as an independent public entity with the existing operating structure; partnering with additional public and/or private entities offering degree or certificate completion; closure of the facility; and merging with another public entity.

3. For options regarding partnering with other entities, such proposed agreements shall detail the plan of operational guidance and funding mechanisms and shall be subject to the approval of all governance boards impacted.

4. For options regarding merging with another public entity, such proposals shall detail the plan of operational guidance and funding mechanisms and shall be subject to enacted legislation.

5. No funding shall be included for the continued operation of the New College Institute in the biennium beginning July 1, 2026.”

Explanation:

(This amendment removes supplemental funding provided to the New College Institute and requires the Board of Directors to develop a fiscally sound operating plan or a plan for merger into another regional educational institution.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 85: Establish a cap on tuition increases

Item 240.10

Education

Maintain Affordable Access

Language

Language:

Page 278, after line 2, insert:

“Item 240.10

Authority: Discretionary Inclusion

A. Notwithstanding any other provision of law, in each fiscal year, public institutions of higher education shall limit the increase in all tuition and mandatory Educational and General fee charges for in-state undergraduate students, relative to the previous fiscal year charges, to the lower of 2.5 percent or the change in the U.S. Average Consumer Price Index for All Urban Consumers (CPI-U), as published by the U.S. Bureau of Labor Statistics, for the most recent 12 months at the time of approval by the Board of Visitors.

B. The State Council of Higher Education for Virginia shall certify whether each public institution has met the tuition requirement of paragraph A. and shall report its findings to the Governor, the Secretary of Education, and the Director of the Department of Planning and Budget by September 1 of each year.”

Explanation:

(This amendment establishes an annual cap on increases to in-state undergraduate tuition and mandatory Educational and General (E&G) fees of the lower of 2.5% or the Average Consumer Price Index for All Urban Consumers (CPI-U).)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 86: Deposit additional funds to the Revenue Reserve Fund
Item 252.10**

| Finance | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Accounts Transfer Payments | \$188,000,000 | \$112,000,000 | GF |

Language:

Page 281, line 46, strike “\$294,482,240” and insert “\$482,482,240”.

Page 281, line 46, strike “\$0” and insert “\$112,000,000”.

Page 282, line 3, before “Out of this appropriation” insert “A.”.

Page 282, after line 5, insert:

“B.1. Notwithstanding any contrary provision of law, there is hereby appropriated in this item, an additional \$188,000,000 the first year and \$112,000,000 the second year for potential deposit into the Revenue Reserve Fund.

2. The additional \$188,000,000 appropriated in the first year shall be carried forward and reappropriated in fiscal year 2026 and combined with the \$112,000,000 amount appropriated in the second year for a potential total additional deposit of \$300,000,000 into the Revenue Reserve Fund.

3. Contingent upon actual general fund revenue collections for fiscal year 2025 being equal to or in excess of the official fiscal year 2025 revenue estimate included in this act, the State Comptroller shall deposit \$300,000,000 into the Revenue Reserve Fund on or before June 30, 2026.

4. In the event that actual general fund revenue collections for fiscal year 2025 are less than the official fiscal year 2025 revenue estimate included in this act, the \$300,000,000 deposit to the Revenue Reserve Fund shall be reduced by the amount of the revenue shortfall.”

Explanation:

(This amendment makes additional voluntary deposits to the revenue reserve fund. Amounts appropriated in FY 2025 will be carried forward for deposit in FY 2026 contingent upon the Commonwealth meeting official revenue estimates for FY 2025.

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 87: Remove language directing to deposit as required by Code of Virginia
Item 262**

Finance

Department of the Treasury

Language

Language:

Page 293, strike lines 43 through 44.

Explanation:

(This amendment eliminates repetitive language directing the transfer of RGGI amounts, as mandated by the Code of Virginia.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 88: Capture debt service savings
Item 264**

| Finance | FY 24-25 | FY 25-26 | |
|----------------|-----------------|-----------------|----|
| Treasury Board | \$0 | (\$44,598,455) | GF |

Language:

- Page 294, line 12, strike "\$1,091,758,526" and insert "\$1,047,160,071".
- Page 294, line 18, strike "\$379,341,810" and insert "\$375,705,634".
- Page 294, line 21, strike "\$678,899,580" and insert "\$637,937,301".
- Page 295, line 34, strike "\$18,799,463" and insert "\$15,163,287".
- Page 295, line 36, strike "\$376,890,170" and insert "\$373,253,994".
- Page 297, line 21, strike "\$43,007,009" and insert "\$4,652,563".
- Page 297, line 23, strike "\$582,481,205" and insert "\$544,126,759".
- Page 297, line 36, strike "\$16,370,125" and insert "\$13,762,292".
- Page 297, line 38, strike "\$96,418,375" and insert "\$93,810,542".
- Page 297, line 40, strike "\$678,899,580" and insert "\$637,937,301".

Explanation:

(This amendment reflects debt service savings as a result of updated issuance assumptions from the Department of the Treasury.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 89: Exclude humanitarian parolees from Mary Marshall Scholarship Program
Item 271**

Health and Human Resources

Department of Health

Language

Language:

Page 309, line 56, strike “include humanitarian parolees as eligible participants. In addition, VDH shall”.

Page 309, line 57, strike “expand the program to”.

Explanation:

(This amendment excludes humanitarian parolees as eligible participants for the Mary Marshall Scholarship Program.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 90: Remove workgroup on nursing home licensing fees

Item 276

Health and Human Resources

Department of Health

Language

Language:

Page 315, strike lines 27 through 32.

Explanation:

(This amendment removes language that would delay the implementation of nursing facility licensing enhancements.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 91: Transfer Mobile Maternal Health Clinic pilot program to the Department of Medical Assistance Services

Item 277

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Health | \$0 | (\$2,500,000) | GF |

Language:

Page 315, line 34, strike "\$172,781,207" and insert "\$170,281,207".

Page 317, strike lines 12 through 16.

Page 317, line 17, strike "K." and insert "J.".

Page 317, line 30, strike "L." and insert "K.".

Explanation:

(This amendment transfers the Mobile Maternal Health Clinic pilot program to the Department of Medical Assistance Services.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 92: Restore funding for community health workers and doulas
Item 278**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Health | \$0 | \$1,000,000 | GF |

Language:

Page 317, line 34, strike “\$330,778,122” and insert “\$331,778,122”.

Page 320, line 43, strike the second “\$3,200,000” and insert “\$4,200,000”.

Page 320, line 44, after “positions” insert “and doulas”.

Page 320, line 46, after “positions” insert “and doulas”.

Explanation:

(This amendment restores language and funding for doulas and community health workers at local health districts. The enrolled bill limited funding to just community health workers.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 93: Remove funding for Birmingham Green Workforce Development Training Center
Item 279**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Health | \$0 | (\$150,000) | GF |

Language:

Page 320, line 53, strike “\$34,239,983” and insert “\$34,089,983”.

Page 326, strike lines 34 through 38.

Explanation:

(This amendment removes language and funding for the Birmingham Green Workforce Development Training Center.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 94: Reduce funding for Virginia Association of Free and Charitable Clinics
Item 279**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Health | \$0 | (\$150,000) | GF |

Language:

Page 320, line 53, strike “\$34,239,983” and insert “\$34,089,983”.

Page 322, line 45, strike “\$7,300,000” and insert “\$7,150,000”.

Explanation:

(This amendment reduces new funding for the operating costs of free clinics that are members of the Virginia Association of Free and Charitable Clinics.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 95: Reduce funding for Federally Qualified Health Centers

Item 279

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Health | \$0 | (\$150,000) | GF |

Language:

Page 320, line 53, strike “\$34,239,983” and insert “\$34,089,983”.

Page 322, line 19, strike “\$500,000” and insert “\$350,000”.

Explanation:

(This amendment reduces new funding for the Virginia Community Healthcare Association to support services provided through Federally Qualified Health Centers.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 96: Reduce funding for the Office of Drinking Water grants
Item 280**

| Health and Human Resources | FY 24-25 | FY 25-26 |
|-----------------------------------|-----------------|-----------------|
| Department of Health | (\$10,000,000) | \$0 GF |

Language:

Page 326, line 40, strike “\$164,436,004” and insert “\$154,436,004”.

Page 327, line 36, strike “\$25,000,000” and insert “\$15,000,000”.

Page 327, line 54, after “4.” insert “Of this amount, the Department shall give first priority, up to \$6,000,000, to the Portsmouth Prentis Street Water Transmission Main Project.”.

Page 327, line 54, strike “Department shall give” and insert “remainder of the funding shall be given”.

Explanation:

(This amendment provides \$15.0 million general fund for the Office of Drinking Water to provide one-time grants to upgrade or replace existing drinking water infrastructure. Additionally, the amendment clarifies that first priority for up to \$6.0 million is targeted toward the Portsmouth Prentis Street Water Transmission Main Project. The rest of the funds remain prioritized for Greene County and the Town of Bowling Green.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 97: Remove funding for continuous glucose monitors
Item 287**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$25,503) | GF |
| | \$0 | (\$48,147) | NGF |

Language:

Page 333, line 8, strike “\$477,247,425” and insert “477,173,775”.

Explanation:

(This amendment removes funding for continuous glucose monitors and related supplies for the treatment of an enrollee under the medical and pharmacy benefit.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 98: Remove reimbursement requirement for midwives
Item 287**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$14,163) | GF |
| | \$0 | (\$26,747) | NGF |

Language:

Page 333, line 8, strike “\$477,247,425” and insert “477,206,515”.

Explanation:

(This amendment removes funding for a requirement that all licensed midwives be reimbursed at the same rate as the physician fee schedule for covered services.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 99: Add tribal health center provision
Item 288**

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 370, line 48, after “process.”, insert:

“If the above rate structure is not approved by the Centers for Medicare and Medicaid Services, then DMAS shall seek approval to reimburse IHS facilities, tribal clinics and tribal FQHCs at the standard Medicaid rate for all services.”

Explanation:

(This amendment clarifies that services provided to non-tribal members should be paid based on the DMAS standard rate methodology.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 100: Ensure appropriate use of outside legal counsel for supplemental payment programs
Item 288**

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 352, strike lines 1 through 7.

Explanation:

(This amendment removes authority for public institutions participating in a private hospital supplemental payment program to hire outside legal counsel without the approval of the Office of Attorney General.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 101: Increase dispensing fees for critical access pharmacies
Item 288**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | \$1,740,342 | GF |
| | \$0 | \$5,426,772 | NGF |

Language:

Page 334, line 27, strike “\$26,316,442,804” and insert “\$26,323,609,918”.

Page 371, after line 15, insert:

“XXXXX. Effective July 1, 2025, the Department of Medical Assistance Services shall require managed care organizations that it contracts with to pay a minimum professional dispensing fee of \$4 per prescription to critical access pharmacies. For the purposes of this paragraph, critical access pharmacies are pharmacies that meet at least one of the following criteria: 1) are located more than 25 miles from the next closest pharmacy; 2) are located in a locality with less than 50,000 residents; or 3) are located in a medically underserved area as defined by the federal Health Resources and Services Administration. The department shall have the authority to implement these reimbursement changes and any necessary contract modifications effective July 1, 2025, and prior to completion of any regulatory process undertaken in order to effect such change.”

Explanation:

(This amendment increases support for critical access pharmacies by requiring Medicaid managed care organizations to pay a minimum professional dispensing fee of \$4 per prescription.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 102: Remove coverage of continuous glucose monitors
Item 288**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$436,002) | GF |
| | \$0 | (\$1,402,063) | NGF |

Language:

Page 334, line 27, strike “\$26,316,442,804” and insert “\$26,314,604,739”.

Page 369, strike lines 18 through 36.

Page 369, line 37, strike “PPPPP.” and insert “OOOOO.”.

Page 369, line 41, strike “QQQQQ.” and insert “PPPPP.”.

Page 370, line 8, strike “QQQQQ.” and insert “PPPPP.”.

Page 370, line 9, strike “RRRRR.” and insert “QQQQQ.”.

Page 370, line 23, strike “SSSSS.” and insert “RRRRR.”.

Page 370, line 33, strike “TTTTT.” and insert “SSSSS.”.

Page 370, line 49, strike “UUUUU.” and insert “TTTTT.”.

Page 370, line 52, strike “VVVVV.” and insert “UUUUU.”.

Page 371, line 4, strike “WWWWW.” and insert “VVVVV.”.

Explanation:

(This amendment removes coverage for continuous glucose monitors and related supplies for the treatment of an enrollee under the Medicaid medical and pharmacy benefit.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 103: Remove nursing facility rate increase
Item 288**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$10,000,000) | GF |
| | \$0 | (\$11,650,000) | NGF |

Language:

Page 334, line 27, strike “\$26,316,442,804” and insert “\$26,294,792,804”.

Page 370, strike lines 52 through 57.

Page 371, strike lines 1 through 3.

Page 371, line 4, strike “WWWWW.” and insert “VVVVV.”.

Explanation:

(This amendment removes a rate increase for nursing facilities.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 104: Remove reimbursement requirement for midwives
Item 288**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$522,919) | GF |
| | \$0 | (\$730,357) | NGF |

Language:

Page 334, line 27, strike "\$26,316,442,804" and insert "\$26,315,189,528".

Page 369, strike lines 37 through 40.

Page 369, line 41, strike "QQQQQ." and insert "PPPPP."

Page 370, line 8, strike "QQQQQ." and insert "PPPPP."

Page 370, line 9, strike "RRRRR." and insert "QQQQQ."

Page 370, line 23, strike "SSSSS." and insert "RRRRR."

Page 370, line 33, strike "TTTTT." and insert "SSSSS."

Page 370, line 49, strike "UUUUU." and insert "TTTTT."

Page 370, line 52, strike "VVVVV." and insert "UUUUU."

Page 371, line 4, strike "WWWWW." and insert "VVVVV."

Explanation:

(This amendment removes a requirement that all licensed midwives be reimbursed at the same rate as the physician fee schedule for covered services.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 105: Remove supplemental payment authority for Virginia Commonwealth University School of Dentistry

Item 288

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$3,522,726) | NGF |

Language:

Page 334, line 27, strike “\$26,316,442,804” and insert “\$26,312,920,078”.

Page 371, strike lines 4 through 15.

Explanation:

(This amendment removes the authority to implement Medicaid supplemental payments to the Virginia Commonwealth University School of Dentistry for services provided by dentists it employs or with whom it contracts.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 106: Remove supplemental payment authority for Virginia Tech Carilion School of Medicine
Item 288**

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 370, strike lines 9 through 22.

Page 370, line 23, strike “SSSSS.” and insert “RRRRR.”.

Page 370, line 33, strike “TTTTT.” and insert “SSSSS.”.

Page 370, line 49, strike “UUUUU.” and insert “TTTTT.”.

Page 370, line 52, strike “VVVVV.” and insert “UUUUU.”.

Page 371, line 4, strike “WWWWW.” and insert “VVVVV.”.

Explanation:

(This amendment removes authority to implement supplemental Medicaid payments to teaching hospitals affiliated with the Virginia Tech Carilion School of Medicine.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 107: Remove support for inpatient and residential neurobehavioral and neurorehabilitation facilities

Item 288

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$930,253) | GF |
| | \$0 | (\$1,902,426) | NGF |

Language:

Page 334, line 27, strike "\$26,316,442,804" and insert "\$26,313,610,125".

Page 370, strike lines 23 through 32.

Page 370, line 33, strike "TTTTT." and insert "SSSSS."

Page 370, line 49, strike "UUUUU." and insert "TTTTT."

Page 370, line 52, strike "VVVVV." and insert "UUUUU."

Page 371, line 4, strike "WWWWW." and insert "VVVVV."

Explanation:

(This amendment removes authorization for a demonstration project that adds neurobehavioral and neurorehabilitation facilities as specialized placements for individuals with a traumatic brain injury diagnosis.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 108: Restore controls on weight loss drugs
Item 288**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$6,858,938) | GF |
| | \$0 | (\$39,829,380) | NGF |

Language:

Page 334, line 27, strike “\$26,316,442,804” and insert “\$26,269,754,486”.

Page 365, line 45, strike “1.”.

Page 365, line 45, unstrike “Effective July 1, 2024, pursuant to the authority granted in 42 USC 1396r-8”.

Page 365, unstrike lines 46 through 56.

Page 366, unstrike lines 1 through 2.

Page 366, strike lines 3 through 21.

Explanation:

(This amendment restores existing controls on weight loss drug coverage criteria to populations with a BMI over 40 or a BMI of 37 when co-morbidities exist. This action would generate savings in 2026 and significant cost avoidance in the subsequent years.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 109: Remove funding for continuous glucose monitors
Item 290**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$30,133) | GF |
| | \$0 | (\$56,886) | NGF |

Language:

Page 371, line 19, strike “\$335,777,427” and insert “\$335,690,408”.

Explanation:

(This amendment removes funding for continuous glucose monitors and related supplies for the treatment of an enrollee under the medical and pharmacy benefit.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 110: Remove reimbursement requirement for midwives
Item 290**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$13,240) | GF |
| | \$0 | (\$25,004) | NGF |

Language:

Page 371, line 19, strike “\$335,777,427” and insert “\$335,739,183”.

Explanation:

(This amendment removes funding for a requirement that all licensed midwives be reimbursed at the same rate as the physician fee schedule for covered services.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 111: Remove support for inpatient and residential neurobehavioral and neurorehabilitation facilities

Item 290

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$389) | GF |
| | \$0 | (\$745) | NGF |

Language:

Page 371, line 19, strike “\$335,777,427” and insert “\$335,776,293”.

Explanation:

(This amendment removes funding for a demonstration project that adds neurobehavioral and neurorehabilitation facilities as specialized placements for individuals with a traumatic brain injury diagnosis.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 112: Move mobile maternal health pilot program from the Virginia Department of Health Item 292

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | \$1,250,000 | GF |
| | \$0 | \$1,250,000 | NGF |

Language:

Page 371, line 54, strike “\$354,153,548” and insert “\$356,653,548”.

Page 381, after line 43, insert:

"UU.1. Out of this appropriation, \$1,250,000 the second year from the general fund and \$1,250,000 the second year from nongeneral funds shall be provided to the Department of Medical Assistance Services, 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 funding for data collection to measure the effectiveness of the program.
2. The department shall evaluate the program’s effectiveness and options for transitioning it to managed care organizations. This evaluation shall be provided to the to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees by September 1, 2026."

Explanation:

(This amendment requires the Department of Medical Assistance Services to create a pilot program for mobile clinics within maternal health deserts in Virginia. The department must also evaluate the program's effectiveness and explore options for transitioning it to managed care organizations. This initiative is moved from the Virginia Department of Health.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 113: Remove support for inpatient and residential neurobehavioral and neurorehabilitation facilities

Item 292

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|-----|
| Department of Medical Assistance Services | \$0 | (\$658,655) | GF |
| | \$0 | (\$1,177,055) | NGF |

Language:

Page 371, line 54, strike “\$354,153,548” and insert “\$352,317,838”.

Explanation:

(This amendment removes funding for a demonstration project that adds neurobehavioral and neurorehabilitation facilities as specialized placements for individuals with a traumatic brain injury diagnosis.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 114: Amend school-based mental health services

Item 295

Health and Human Resources

Department of Behavioral Health and
Developmental Services

Language

Language:

Page 388, line 7, after the second “clinics” insert “and telehealth providers”.

Page 388, line 8, strike “and their families, as well as school staff”.

Page 388, line 9, after “(ii)” insert “provide grants to school divisions to contract for community-based mental health services from public or private community-based providers or”.

Page 388, line 9, strike “to allow school”.

Page 388, line 10, strike “districts”.

Page 388, line 10, strike “mental telehealth” and insert “telemental health”.

Page 388, line 12, after “provided” insert “and ensure that there are no out-of-pocket costs to students”.

Explanation:

(This amendment modifies language to allow the Department of Behavioral Health and Developmental Services (DBHDS) to provide grants to schools for school-based mental health clinics. The enrolled bill requires DBHDS to contract with federally qualified health centers or other healthcare organizations.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 115: Remove new funding for services for individuals with dementia and geriatric individuals

Item 296

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Behavioral Health and Developmental Services | \$0 | (\$1,000,000) | GF |

Language:

Page 390, line 36, strike “\$157,904,251” and insert “\$156,904,251”.

Page 392, line 52, strike “\$2,650,000” and insert “\$1,650,000”.

Explanation:

(This amendment removes new funding for services for geriatric individuals and those with dementia.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 116: Reduce new funding for Community Services Boards support coordinators
Item 297**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Grants to Localities | \$0 | (\$4,350,000) | GF |

Language:

Page 395, line 8, strike “\$801,392,721” and insert “\$797,042,721”.

Page 401, line 12, strike “\$8,700,000” and insert “\$4,350,000”.

Explanation:

(This amendment removes a portion of the funding added for support coordinators in the enrolled bill such that new funding is now \$4.35 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 117: Reduce new funding for the Marcus Alert program
Item 297**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Grants to Localities | \$0 | (\$3,600,000) | GF |

Language:

Page 395, line 8, strike “\$801,392,721” and insert “\$797,792,721”.

Page 400, line 7, strike “\$16,200,000” and insert “\$12,600,000”.

Explanation:

(This amendment removes a portion of the funding added for crisis teams in the enrolled bill such that new funding for the Marcus Alert program in 2026 is now \$2.4 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 118: Reduce new funding for brain injury services workforce retention
Item 314**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department for Aging and Rehabilitative Services | \$0 | (\$300,000) | GF |

Language:

Page 405, line 32, strike "\$118,410,793" and insert "\$118,110,793".

Page 407, line 22, strike "\$11,746,719" and insert "\$11,446,719".

Page 407, line 40, strike "\$1,375,000" and insert "\$1,075,000".

Explanation:

(This amendment reduces new funding provided to improve workforce retention efforts for brain injury service providers. The total now provided in the second year for this purpose is \$1.1 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 119: Remove new funding for brain injury community services

Item 314

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department for Aging and Rehabilitative Services | \$0 | (\$750,000) | GF |

Language:

Page 405, line 32, strike "\$118,410,793" and insert "\$117,660,793".

Page 407, line 22, strike "\$11,746,719" and insert "\$10,996,719".

Explanation:

(This amendment removes new funding provided to increase support for brain injury community services.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 120: Reduce funding for building improvements at Hare Valley School

Item 315

| Health and Human Resources | FY 24-25 | FY 25-26 |
|--|-----------------|-----------------|
| Department for Aging and Rehabilitative Services | (\$650,000) | \$0 GF |

Language:

Page 408, line 16, strike “\$41,739,449” and insert “\$41,089,449”.

Page 410, line 8, strike “\$1,300,000” and insert “\$650,000”.

Explanation:

(This amendment reduces available funding provided to Eastern Shore Area Agency on Aging/Community Action Agency, Inc. to support building improvements and repairs at the Hare Valley School. The amendment does not adjust requirements to carry forward funding in the subsequent fiscal year.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 121: Remove funding for interdisciplinary plan of care and dementia case management study

Item 315

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department for Aging and Rehabilitative Services | \$0 | (\$400,000) | GF |

Language:

Page 408, line 16, strike “\$41,989,449” and insert “\$41,589,449”.

Page 410, strike lines 17 through 24.

Explanation:

(This amendment removes funding provided to support a new interdisciplinary plan of care and dementia case management study.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 122: Remove funding for Villages Exchange pilot program

Item 315

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department for Aging and Rehabilitative Services | \$0 | (\$400,000) | GF |

Language:

Page 408, line 16, strike “\$41,989,449” and insert “\$41,589,449”.

Page 410, strike lines 13 through 16.

Page 410, line 17, strike “Q.” and insert “P.”.

Explanation:

(This amendment removes funding provided for the County of Fairfax to support the Washington Area Villages Exchange in establishing a pilot program to assess the feasibility of expanding the Villages model statewide.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 123: Remove new funding for Area Agencies on Aging
Item 315**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department for Aging and Rehabilitative Services | \$0 | (\$750,000) | GF |

Language:

Page 408, line 16, strike "\$41,989,449" and insert "\$41,239,449".

Page 410, strike lines 6 through 7.

Page 410, line 8, strike "O." and insert "N.".

Page 410, line 13, strike "P." and insert "O.".

Page 410, line 17, strike "Q." and insert "P.".

Explanation:

(This amendment removes new funding provided to increase support to Area Agencies on Aging.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 124: Remove funding to expand kinship services
Item 329**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | \$0 | (\$300,000) | GF |

Language:

Page 418, line 38, strike “\$293,334,091” and insert “\$293,034,091”.

Page 422, strike lines 1 through 5.

Explanation:

(This amendment removes funding to expand the existing program that assists in finding relative and fictive kin for youth in foster care.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 125: Remove funding for a sports court at the Hallow by Samaritan House
Item 331**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | \$0 | (\$200,000) | GF |

Language:

Page 422, line 47, strike "\$74,588,045" and insert "\$74,388,045".

Page 427, strike lines 32 through 34.

Page 427, line 35, strike "GG." and insert "FF.".

Page 427, line 37, strike "HH." and insert "GG.".

Explanation:

(This amendment removes funding provided to Virginia Beach for a multipurpose sports court for the residents at the Hallow by Samaritan House, a youth trafficking shelter.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 126: Remove funding for Anna Sudha Community Kitchens
Item 331**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | \$0 | (\$50,000) | GF |

Language:

Page 422, line 47, strike “\$74,588,045” and insert “\$74,538,045”.

Page 427, strike lines 35 through 36.

Page 427, line 37, strike “HH.” and insert “GG.”.

Explanation:

(This amendment removes funding provided to Loudoun County for Anna Sudha Community Kitchens.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 127: Remove funding for Latisha's House
Item 331**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | (\$300,000) | \$0 | GF |

Language:

Page 422, line 47, strike "\$72,865,691" and insert "\$72,565,691".

Page 427, strike lines 27 through 31.

Page 427, line 32, strike "FF." and insert "EE.".

Page 427, line 35, strike "GG." and insert "FF.".

Page 427, line 37, strike "HH." and insert "GG.".

Explanation:

(This amendment removes funding provided to the City of Williamsburg for Latisha's House.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 128: Remove funding for Lorton Community Action Center
Item 331**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | \$0 | (\$200,000) | GF |

Language:

Page 422, line 47, strike “\$74,588,045” and insert “\$74,388,045”.

Page 427, strike lines 37 through 38.

Explanation:

(This amendment removes funding provided to Fairfax County for the Lorton Community Action Center to provide rental assistance to its clients.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 129: Remove funding for the Tonsler League
Item 331**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|----|
| Department of Social Services | \$0 | (\$250,000) | GF |

Language:

Page 422, line 47, strike “\$74,588,045” and insert “\$74,338,045”.

Page 427, line 12, strike “and \$250,000 the second year”.

Explanation:

(This amendment removes funding from the Tonsler League for sports league programming.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 130: Enhance security of electronic benefit cards
Item 334**

| Health and Human Resources | FY 24-25 | FY 25-26 | |
|-----------------------------------|-----------------|-----------------|-----|
| Department of Social Services | \$0 | \$1,500,000 | GF |
| | \$0 | \$1,500,000 | NGF |

Language:

Page 428, line 26, strike “\$154,829,417” and insert “\$157,829,417”.

Page 430, strike lines 28 through 34.

Page 430, after line 27, insert:

“J. Out of this appropriation, \$1,500,000 the second year from the general fund and \$1,500,000 the second year from nongeneral funds shall be provided to transition electronic benefits transfer cards to chip cards to combat fraud.”

Explanation:

(This amendment provides funding for the Department of Social Services to transition from traditional magnetic stripe electronic benefit transfer cards to ones that contain an embedded microchip. This action will enhance account security and reduce fraud. In addition, language to study this transition is removed.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 131: Remove funding for additional wage and labor law enforcement
Item 349**

| Labor | FY 24-25 | FY 25-26 | |
|-------------------------------|-----------------|-----------------|-----|
| Department Labor and Industry | \$0 | (\$2,000,000) | GF |
| | 0 | -3.00 | FTE |

Language:

Page 435, line 4, unstrike "\$2,253,355".

Page 435, line 5, strike "\$4,253,355".

Page 435, strike lines 50 through 51.

Page 436, strike line 1.

Explanation:

(This amendment removes support for additional labor law enforcement activities required by vetoed bills HB 2401, HB 2743, HB 2356, SB 998 and SB 853.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 132: Restore funding for rent increase
Item 352**

| Labor | FY 24-25 | FY 25-26 | |
|----------------------------------|-----------------|-----------------|----|
| Department of Labor and Industry | \$52,370 | \$52,370 | GF |

Language:

Page 436, line 5, strike the first “\$5,004,867” and insert “\$5,057,237”.

Page 436, line 5, strike the second “\$5,004,867” and insert “\$5,057,237”.

Explanation:

(This amendment provides funding for increased rent payments for office space resulting from a recent move.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 133: Enhance Virginia Has Jobs
Item 354**

| Labor | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Workforce Development and Advancement | \$480,000 | \$0 | GF |

Language:

Page 437, line 23, strike “\$74,356,263” and insert “\$74,836,263”.

Page 438, after line 15, insert:

“E. Out of this appropriation, \$480,000 the first year from the general fund is provided to support the Virginia Has Jobs program.”

Explanation:

(This amendment supports the Virginia Has Jobs platform.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 134: Move Innovative Internship Program funding and administration to Virginia Works Item 354

| Labor | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Workforce Development and Advancement | \$0 | \$6,000,000 | GF |

Language:

Page 437, line 24, strike “\$42,915,600” and insert “\$48,915,600”.

Page 438, after line 15 insert:

“E.1.Out of this appropriation, \$6,000,000 the second year from the general fund is provided to support employer-focused activities that further the goal of providing all postsecondary students in Virginia with one or more paid internships during their undergraduate course of study.

2. Out of the amounts provided in this paragraph, up to \$500,000 in fiscal year 2026 may be used to support the development and deployment of the jobseeker/individual focused portal, Virginia Has Jobs, for higher education related internships. Such funding shall be used to increase the capabilities of the Virginia Has Jobs platform to collect information from employers on available higher education internships and connect students to these internship opportunities, and to provide guidance on functionality, feature requirements, and user experience considerations of the higher education related internship component of the Virginia Has Jobs platform. The department shall convene an advisory group consisting of the department, the State Council of Higher Education for Virginia (SCHEV), institutions of higher education, the Virginia Economic Development Partnership (VEDP), Virginia Chamber of Commerce, Virginia Business Higher Education Council, and other statewide local government and non-profit education partners. The advisory group will confirm that the Virginia Has Jobs platform is not duplicative to existing platforms used by any of the advisory group members. These funds shall not be for the marketing or promotion of the Virginia Has Jobs platform.

3. Out of the amounts provided in this paragraph, up to \$2,000,000 in fiscal year 2026 shall be used to conduct initial outreach and marketing to increase employer participation in paid internship and other work-based learning programs pursuant to § 23.1-903.4, Code of Virginia, including developing and implementing a statewide promotion, convening, and marketing program to encourage, assist, and recognize employers that increase employment of undergraduate student interns.

4. Out of the amounts provided in this paragraph, up to \$3,500,000 in fiscal year 2026 and up to \$6,000,000 each year thereafter, is provided to support the following activities: (i) arranging for administration of the matching grant program for certain employers of higher education related student interns as provided in this paragraph; (ii) coordinating regional collaboratives to serve as intermediaries for employers seeking to initiate or expand employment of higher education related student interns in a region; and (iii) measuring and reporting program participation and progress toward identified goals through the Virginia Office of Education and Workforce Alignment. In conjunction with VEDP, the department shall convene a stakeholder group from business, industry, education, economic and workforce development, and government, including the following primary partners for employer engagement: Virginia Chamber of Commerce; Virginia Business Higher

2025 Reconvened Session Executive Amendments (HB 1600)

Education Council; and other statewide local government and non-profit education partners to design these activities. At the recommendation of the stakeholder group, the department may enter into a Memorandum of Understanding (MOU) with VEDP to assist in the execution of the activities listed in paragraphs T.4. and 5. of this item. The MOU shall provide for ongoing collaboration by and with SCHEV, VEDP, and institutions of higher education to integrate the employer-focused activities authorized in this paragraph with campus internship centers and other activities related to postsecondary paid and credit-bearing internships that are implemented pursuant to Item 132.I.

5. The department shall provide for implementation of a program of matching grants for small and midsize Virginia-based employers that hire undergraduate student interns and shall establish criteria for the grants in consultation with the partners identified in paragraph T.4. of this item. Such criteria shall include: (i) a limitation of eligibility to for-profit business and nonprofit organizations, excluding institutions of higher education, with physical operations and facilities in Virginia and 150 or fewer Virginia-based employees; (ii) certification of employer eligibility by the department following a training program of reasonable duration and agreement by the employer to reasonable mentoring and reporting obligations; (iii) a limitation of grant awards to reimbursement, not to exceed \$7,500 per higher education related internship, for a maximum of one-half of wages, including FICA, and workplace subsidies, including transportation, housing, and other internship-related expenses, paid to or for the benefit of a student participating in a qualifying internship; (iv) the minimum and maximum number of hours required to ensure the student gains valuable work experience; (v) a limitation of the qualifying number of higher education related internships per employer; and (vi) the maximum timeframe for employers to be eligible to receive the grants. Prioritization of grant awards may consider employers of 50 or fewer employees. The department may provide other services to employers, including arranging for one or more staffing agencies to provide services related to higher education related intern recruitment and placement, but eligibility for matching grants shall not be conditioned on an employer's engagement with or use of such staffing agency or other services.

6. The department may use up to five percent of the funding to support the administration of the activities required by this paragraph and facilitate the partnerships and collaboration described herein.”

Explanation:

(This amendment moves funding for business-related aspects of the Innovative Internship Program to Virginia Works. A companion amendment exists under the Virginia Economic Development Partnership.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 135: Remove funding for Hampton Roads Workforce Council Healthcare Program Item 354

| Labor | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Workforce Development and Advancement | \$0 | (500,000) | GF |

Language:

Page 437, line 24, strike “\$42,915,600” and insert “\$42,415,600”.

Page 438, strike lines 6 through 15.

Explanation:

(This amendment eliminates funding for the Council to launch the Regional Healthcare Talent Pipeline Program.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 136: Remove Paid Family and Medical Leave language
Item 356**

Labor

Virginia Employment Commission

Language

Language:

Page 441, strike lines 2 through 8.

Explanation:

(This amendment removes the authorization of a treasury loan for the implementation of HB2531. This legislation will be vetoed.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 137: Remove additional funding for environmental literacy
Item 359**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | \$0 | (\$500,000) | GF |

Language:

Page 443, line 33, strike "\$144,176,170" and insert "\$143,676,170".

Page 445, line 47, unstrike "\$250,000".

Page 445, line 47, strike "\$750,000".

Explanation:

(This amendment removes the additional funding provided for environmental literacy.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 138: Remove funding for Lake Barcroft Dam and direct use from the Dam Safety, Flood Prevention and Protection Assistance Fund
Item 359**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | (\$500,000) | \$0 | GF |

Language:

Page 443, line 33, strike “\$552,720,664” and insert “\$552,220,664”.

Page 446, after line 25, insert:

“3. Notwithstanding § 10.1-603.17, Code of Virginia, \$500,000 of these amounts shall be provided to the Lake Barcroft Watershed Improvement District to complete engineering and design to bring the Lake Barcroft Dam Flood Mitigation Project to "construction ready" status.”

Page 447, line 47, strike line 54.

Page 448, strike lines 1 through 3.

Explanation:

(This amendment removes the funding provided for Lake Barcroft Dam and directs that \$500,000 from the Dam Safety, Flood Prevention and Protection Assistance Fund shall be used for this purpose.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 139: Remove funding for Quantico Creek and direct use of Community Flood Preparedness Fund

Item 359

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | (\$1,000,000) | \$0 | GF |

Language:

Page 443, line 33, strike "\$552,720,664" and insert "\$551,720,664".

Page 447, line 10 after "R" insert ".1".

Page 447, after line 11, insert:

"2. Notwithstanding § 10.1-603.25, Code of Virginia, \$1,000,000 of these amounts shall be provided to the Town of Dumfries for Quantico Creek restoration and flood mitigation."

Page 447, strike lines 52 through 53.

Explanation:

(This amendment removes the general fund support provided to the Town of Dumfries for Quantico Creek restoration and flood mitigation and directs that \$1.0 million from the Community Flood Preparedness Fund be used for this purpose.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 140: Supplant general fund support for the Community Flood Preparedness Fund
Item 359**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | (\$50,000,000) | \$0 | GF |

Language:

Page 443, line 33, strike “\$552,720,664” and insert “\$502,720,664”.

Page 447, line 10, unstrike “\$100,000,000”.

Page 447, line 10, strike “\$150,000,000”.

Page 447, line 10 after “R” insert “.1”.

Page 447, after line 11, insert:

“2. Notwithstanding any other provision of law, the Department of Accounts shall transfer \$50,000,000 in proceeds generated from the Commonwealth's participation in the Regional Greenhouse Gas Initiative auction that occurred in December 2023 and deposited into the Regional Greenhouse Gas Initiative Fund (Fund 02018) at the Department of Environmental Quality and interest accrued to the Community Flood Preparedness Fund.”

Explanation:

(This amendment removes the additional general fund support provided to the Community Flood Preparedness Fund and directs that \$50.0 million in proceeds from the December 2023 Regional Greenhouse Gas Initiative (RGGI) auction and interest earnings be deposited to the Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 141: Reduce funding for Biscuit Run Park
Item 360**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | \$0 | (\$1,000,000) | GF |

Language:

Page 448, line 20, strike “\$102,526,439” and insert “\$101,526,439”.

Page 450, line 27, strike “\$1,300,000” and insert “\$300,000”.

Explanation:

(This amendment reduces the amount 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 to \$300,000.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 142: Reduce funding for Falkland State Conservation Master Plan
Item 360**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | \$0 | (\$200,000) | GF |

Language:

Page 448, line 20, strike “\$102,526,439” and insert “\$102,326,439”.

Page 450, line 24, strike “\$350,000” and insert “\$150,000”.

Explanation:

(This amendment reduces the amount provided to develop the Falkland State Conservation Area Master Plan and a Restoration Assessment for the Syndor House Lodge to \$150,000.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 143: Delay polystyrene ban effective dates
Item 362**

Natural and Historic Resources

Department of Environmental Quality

Language

Language:

Page 451, line 38, strike “2025” and insert “2028”.

Page 451, line 39, strike “2026” and insert “2030”.

Explanation:

(This amendment extends the effective dates to 2028 for larger retail food establishments and 2030 for smaller establishments located in the Commonwealth.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 144: Reduce funding for groundwater research
Item 363**

| | FY 24-25 | FY 25-26 |
|---------------------------------------|-----------------|-----------------|
| Natural and Historic Resources | | |
| Department of Environmental Quality | (\$1,300,000) | \$0 GF |

Language:

Page 451, line 41, strike “\$61,032,778” and insert “\$59,732,778”.

Page 453, line 47, strike “\$2,300,000” and insert “\$1,000,000”.

Page 453, line 48, after “Eastern”, insert “Virginia”.

Page 453, line 49, strike “distributed as follows: \$2,000,000 for” and insert “used by”, and strike “five”.

Page 453, line 51, after “Eastern”, insert “Virginia”.

Page 453, line 51, strike “\$300,000”.

Page 453, line 53, after “Eastern”, insert “Virginia”.

Explanation:

(This amendment reduces funding for research stations and the completion of a feasibility study and includes a technical clarification of the impacted area.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 145: Reduce funding for harmful algal bloom monitoring
Item 363**

| | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Natural and Historic Resources | | | |
| Department of Environmental Quality | (\$250,000) | \$0 | GF |

Language:

Page 451, line 41, strike “\$61,032,778” and insert “\$60,782,778”.

Page 453, line 37, strike “\$500,000” and insert “\$250,000”.

Explanation:

(This amendment reduces funding provided to support harmful algal bloom monitoring in the Shenandoah River.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 146: Support sanitary sewer pump station upgrades in Portsmouth
Item 365**

Natural and Historic Resources

Department of Environmental Quality

Language

Language:

Page 457, line 25, strike "\$17,390,600" and insert "\$13,140,600"

Page 457, after line 33, insert:

"3. Notwithstanding § 10.1-2129 A., Code of Virginia, and any other provision of law, \$4,250,000 the first year from the general fund is provided to the City of Portsmouth for sanitary sewer pump station upgrades. Any balances for the purposes specified in this paragraph which are unexpended at year-end shall not revert to the general fund but shall be carried forward and reappropriated."

Page 457, line 34, strike "3." and insert "4."

Page 457, line 34, after "N.2.," insert "N.3.,"

Explanation:

(This amendment designates \$4.3 million from the mandatory deposit to the Water Quality Improvement Fund to support sewer pump station upgrades in Portsmouth and reduces the amount of funding designated for the Enhanced Nutrient Removal Certainty Program from \$17.4 million to \$13.1 million. A companion amendment removes funding for this purpose from the Department of Housing and Community Development.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 147: Remove funding for wildlife corridor grant program
Item 367**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Department of Wildlife Resources | (\$450,000) | \$0 | GF |

Language:

Page 458, line 41, strike “\$64,538,128” and insert “\$64,088,128”.

Page 459, strike lines 22 through 27.

Explanation:

(This amendment removes funding for wildlife crossing projects.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 148: Reduce funding for African American Cemetery and Graves Fund
Item 371**

| | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Natural and Historic Resources | | | |
| Department of Historic Resources | (\$250,000) | \$0 | GF |

Language:

Page 460, line 9, strike "\$59,173,235" and insert "\$58,923,235".

Page 461, line 15, strike "\$1,000,000" and insert "\$750,000".

Explanation:

(This amendment reduces general fund support for deposit to the Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 149: Remove additional funding for the BIPOC Preservation Fund
Item 371**

| | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Natural and Historic Resources | | | |
| Department of Historic Resources | (\$500,000) | \$0 | GF |

Language:

Page 460, line 9, strike “\$59,173,235” and insert “\$58,673,235”.

Page 462, line 41, unstrike “\$1,000,000”.

Page 462, line 41, strike “\$1,500,000”.

Explanation:

(This amendment removes additional funding for the Black, Indigenous, and People of Color (BIPOC) Preservation Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 150: Remove funding for the identification and designation of lynching sites in Virginia as historical landmarks

Item 371

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Department of Historic Resources | (\$76,008) | \$0 | GF |

Language:

Page 460, line 9, strike “\$59,173,235” and insert “\$59,097,227”.

Page 464, strike lines 17 through 25.

Explanation:

(This amendment removes funding for the identification and designation of lynching sites in Virginia as historical landmarks.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 151: Remove funding for Titustown Historic District designation surveys
Item 371**

| | FY 24-25 | FY 25-26 | |
|---------------------------------------|-----------------|-----------------|----|
| Natural and Historic Resources | | | |
| Department of Historic Resources | (\$100,000) | \$0 | GF |

Language:

Page 460, line 9, strike “\$59,173,235” and insert “\$59,073,235”.

Page 464, strike lines 1 through 4.

Explanation:

(This amendment removes funding for the City of Norfolk to complete surveys to determine whether or not Titustown is eligible for historic district designation.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 152: Require match for Virginia African American Cultural Center funding
Item 371**

Natural and Historic Resources

Department of Historic Resources

Language

Language:

Page 464, line 12, after “paragraph.” insert:

“As a condition of receiving this amount, the City must provide an equal amount in matching funds from nonstate sources.”

Explanation:

(This amendment requires the City of Virginia Beach match state funding 1:1 from nonstate sources as a condition of funding.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 153: Supplant funding for Douglass Cemetery
Item 371**

| | FY 24-25 | FY 25-26 |
|---------------------------------------|-----------------|-----------------|
| Natural and Historic Resources | | |
| Department of Historic Resources | (\$500,000) | \$0 GF |

Language:

Page 460, line 9, strike “\$59,173,235” and insert “\$58,673,235”.

Page 461, line 17, after “cemeteries.” insert:

“Notwithstanding § 10.1-2211.3, Code of Virginia, out of the amounts in this paragraph, \$300,000 the first year is provided to the City of Alexandria to support the restoration of Douglass Cemetery.”

Page 464, strike lines 13 through 16.

Explanation:

(This amendment removes a direct appropriation for restoration work at the cemetery and directs the Department to utilize a portion of funding from the African American Cemetery and Graves Fund.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 154: Restore language requiring localities to comply with U.S. Immigrations and Customs Enforcement Detainers

Item 377

Public Safety and Homeland Security

Office of the Secretary of Public Safety and
Homeland Security

Language

Language:

Page 468, line 2, strike “Not set out.” and insert:

| “Item 377 | First Year - FY2025 | Second Year - FY2026 |
|--|----------------------------|-----------------------------|
| Administrative and Support Services (79900) | \$932,092 | \$782,092 |
| General Management and Direction (79901) | \$932,092 | \$782,092 |
| Fund Sources: | | |
| General | \$932,092 | \$782,092 |

Authority: Title 2.2, Chapter 2, Article 8, and § 2.2-201, Code of Virginia.

A. The Secretary of Public Safety and Homeland Security shall present revised six-year state and local juvenile and state and local responsibility adult offender population forecasts to the Governor, the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Chairs of the House Courts of Justice and Senate Judiciary Committees by October 15 of each year. The secretary shall ensure that the revised forecast for state-responsible adult offenders shall include an estimate of the number of probation violators included each year within the overall population forecast who may be appropriate for alternative sanctions.

B. The secretary shall continue to work with other secretaries to (i) develop services intended to improve the re-entry of offenders from prisons and jails to general society and (ii) enhance the coordination of service delivery to those offenders by all state agencies. The secretary shall provide a status report on actions taken to improve offender transitional and reentry services, as provided in § 2.2-221.1, Code of Virginia, including improvements to the preparation and provision for employment, treatment, and housing opportunities for those being released from incarceration. The report shall be provided to the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than November 15 of each year.

C.1. The Secretary of Public Safety and Homeland Security, in collaboration with the Secretary of Education and the Secretary of Health and Human Resources, with the cooperation and assistance of the Department of Planning and Budget, the Virginia Association of Counties, and the Virginia Municipal League, shall evaluate and submit to the General Assembly no later than October 15, 2024, a report on juvenile detention center cost savings strategies. The report shall include a proposal to reduce state formula financial assistance for juvenile confinement in local facilities (“juvenile detention center block grant”) in order to incentivize consolidation of juvenile detention centers in the Commonwealth. The proposal shall: (i) recommend five to eight juvenile detention centers for consolidation, identifying the five to eight facilities recommended for closure and alternative facilities recommended to house youth impacted by the closures; (ii) describe the criteria used to identify such facilities including, but not limited to, distance between the facilities recommended for closure and the recommended alternative sites of incarceration, funded and licensed capacity, historical and projected

2025 Reconvened Session Executive Amendments (HB 1600)

average daily population by region, age and condition of facilities and their electronic security systems, outstanding debt service, deferred maintenance and annual maintenance reserve as a percentage of the replacement asset value, potential for repurposing or sale of facilities recommended for closure, regional distribution of juvenile detention centers, and availability of programming; (iii) estimate the state savings that would result from elimination of juvenile detention center block grant funding for facilities recommended for closure, net any expected increase in block grant or per diem funding for facilities recommended to house additional youth; and (iv) recommend two to five options for reinvesting the net savings in services for youth involved or at-risk of becoming involved in the juvenile justice system.

2. In addition, the report shall assess alternative delivery models for education services at juvenile detention centers, including: (i) determining the extent to which each juvenile detention center currently implements or could further implement cost effective staffing methods, including strategies identified in the 2021 Board of Education report entitled "Recommendations for Appropriate Staffing and Funding Levels Necessary for State Operated Programs (SOPs) in Regional and Local Detention Centers"; (ii) continuing to develop an alternative to the statutorily required 1:12 teacher to student staffing ratio; (iii) utilizing full-time special education teachers to coordinate, plan, and substitute for part-time teachers shared with either the local school division or other state operated programs; and (iv) determining and providing the feasibility and potential cost savings of each alternative delivery model, as well as specific actions to implement each model.

D. The Secretary of Public Safety and Homeland Security, with the cooperation and assistance of the Virginia Association of Counties, the Virginia Municipal League, the Virginia Sheriffs' Association, the Virginia Association of the Chiefs of Police, and other appropriate stakeholders, shall evaluate and submit to the General Assembly no later than November 1, 2024, a report to establish authority in the Code of Virginia for local civilian-led units designed to respond, investigate, and handle calls for services related to minor traffic accidents and other duties as assigned. The report shall include potential legislative language, any costs savings to local police and sheriff departments, research around best practices from other states, recommendations for implementation and tasks that could be assigned to local civilian-led units, and a list of potential challenges the units could face being set up by local jurisdictions.

E. The Secretary of Public Safety and Homeland Security shall complete a review and assessment of the sufficiency of fire and emergency medical services funding in the Commonwealth. The review and assessment shall include, but not be limited to, (i) identification of local, state, and federal funding provided to support local fire and emergency medical services by locality or region, and to the extent possible, trends in funding by source; (ii) consideration of identifiable fire or emergency medical service funding needs by locality or region; (iii) identification of factors that influence or differentiate the ability of localities or regions to meet the funding needs of local and regional fire and emergency medical services; (iv) factors influencing the ability of localities or regions to meet fire and emergency medical services funding needs; and, (v) consideration of the costs and benefits of consolidation state-level administration of fire and emergency medical services funding and oversight, to include an assessment of administrative models used in other states. In completing the assessment, the Secretary shall convene at least three stakeholder group meetings whose membership shall include, but not be limited to, representatives from the Department of Fire Programs, the Office of Emergency Medical Services, the Virginia Fire Services Council, Virginia's Regional EMS Councils, the Virginia Fire Chiefs Association, the Virginia Association of Counties, and the Virginia Municipal League. Included in the appropriation for this item is \$150,000 the first year from the general fund for the Secretary to procure the services of technical experts to complete the review and assessment. The Secretary shall provide a summary report of the findings of the review and assessment, as well as any recommendations, to the Chairs of the House

2025 Reconvened Session Executive Amendments (HB 1600)

Committee on Appropriations and the Senate Committee on Finance and Appropriations no later than November 1, 2024.

F.1. Any Director, Superintendent, sheriff, or other official in charge of a facility in which an alien is incarcerated shall comply with lawful U.S. Immigration and Customs Enforcement detainers and shall provide at least 48-hour prerelease notification to U.S. Immigration and Customs Enforcement.

2. If any Director, Superintendent, sheriff, or other official in charge of a facility is in violation of F.1. or if a local law enforcement agency, sheriff's office, or official in charge of a facility, pursuant to adoption of a local ordinance, procedure, policy, or custom prohibits or impedes communication or cooperation with U.S. Immigration and Customs Enforcement, the Director of the Department of Criminal Justice Services shall withhold reimbursements due to a locality under Title 9.1, Chapter 1, Article 8, Code of Virginia, and the Compensation Board shall withhold per diem payments for financial assistance to local or regional jails.”

Explanation:

(This amendment restores language included in the Introduced Budget directing localities to comply with U.S. Immigrations and Customs Enforcement detainers. Failure to comply will result in the withholding of Department of Criminal Justice Services reimbursements due to localities and Compensation Board per diem payments for financial assistance to local or regional jails.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 155: DGS Review of local and regional jail projects

Item 385

Public Safety

Department of Corrections

Language

Language:

Page 469, line 45, strike “\$12,000,000” and insert “\$1,000,000”.

Explanation:

(This amendment modifies the General Assembly's language to exempt local jail capital projects from a cost review by the Department of General Services from \$12 million or less to \$1 million or less.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 156: Reduce funding for 2025 legislation that may impact need for prison beds

Item 390

| Public Safety | FY 24-25 | FY 25-26 | |
|---------------------------|-----------------|-----------------|----|
| Department of Corrections | \$0 | (\$664,996) | GF |

Language:

Page 473, line 52, strike “\$205,068,665” and insert “\$204,403,669”.

Page 477, line 4, strike “\$1,314,996” and insert “\$650,000”.

Page 477, strike lines 9 through 34.

Page 477, line 9 insert:

- “1. House Bill 1660 and Senate Bill 886 -- \$50,000
2. House Bill 1715 and Senate Bill 939 -- \$50,000
3. House Bill 1726 and Senate Bill 757 -- \$50,000
4. House Bill 2165 and Senate Bill 1002 -- \$50,000
5. House Bill 2406 and Senate Bill 861 -- \$50,000
6. House Bill 2657 and Senate Bill 746 -- \$50,000
7. House Bill 1998 -- \$50,000
8. House Bill 2036 -- \$50,000
9. House Bill 2123 - \$50,000
10. House Bill 2783 -- \$50,000
11. Senate Bill 844 -- \$50,000
12. Senate Bill 1271 -- \$50,000
13. Senate Bill 1272 -- \$50,000”.

Explanation:

(This amendment reduces funding provided for Woodrum bills that either failed or were vetoed by the Governor.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 157: Restore Earned-Sentence-Credit eligibility limit language

Item 390

Public Safety

Department of Corrections

Language

Language:

Page 476, line 16, after “Q.” insert “1.”.

Page 476, after line 19 insert “2. Notwithstanding the provisions of § 53.1-202.3, Code of Virginia, a maximum of 4.5 sentence credits may be earned for each 30 days served on a sentence that is concurrent with or consecutive to a sentence for a conviction of an offense enumerated in subsection A of § 53.1-202.3, Code of Virginia.”.

Explanation:

(This amendment restores language that limits the maximum number of credits an inmate may earn if he is serving sentences that are concurrent with or consecutive to offenses that are not eligible for enhanced earned credits.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 158: Remove funding for model policy on use of encrypted communications
Item 391**

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Criminal Justice Services | \$0 | (\$131,516) | GF |

Language:

Page 478, line 10, strike "\$6,474,570" and insert "\$6,343,054".

Page 479, strike lines 17 through 20.

Page 479, line 21, strike "L." and insert "K.".

Explanation:

(This amendment removes funding provided to support the development of a model policy for the use of encrypted communications by law enforcement agencies, pursuant to House Bill 2039. The legislation was vetoed by the Governor.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 159: Increase funding for the School Resource Officer Incentive Grants Fund
Item 394**

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 |
|--|-----------------|-----------------|
| Department of Criminal Justice Services | \$5,337,475 | \$0 GF |

Language:

Page 480, line 16, strike "\$229,978,308" and insert "\$235,315,783".

Page 483, line 2, strike "\$23,116,049" and insert "28,453,524".

Page 483, line 19, after "emergency.", strike "Out of nongeneral fund cash balances in".

Page 483, strike lines 20 through 21.

Page 483, line 35, after "ability-to-pay.", strike "Out of nongeneral fund cash balances in the School Resource Officer".

Page 483, strike lines 36 through 38.

Explanation:

(This amendment provides funding for the School Resource Officer (SRO) Incentive Grants Fund and removes the new language for the use of balances. With regulatory changes to the program, more SROs can be hired, creating greater need for funding.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 160: Remove the increase in funding for the Safer Communities Program and Community Violence Reduction Grants

Item 394

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Criminal Justice Services | (\$350,000) | (\$5,500,000) | GF |

Language:

- Page 480, line 16, strike “\$229,978,308” and insert “\$229,628,308”.
- Page 480, line 16, strike “\$235,354,784” and insert “\$229,854,784”.
- Page 485, line 24, unstrike “\$9,000,000” and strike “\$9,350,000”.
- Page 485, line 25, unstrike “\$9,000,000” and strike “\$9,500,000”.
- Page 485, line 29, after “to include”, strike “(i)”.
- Page 485, line 29, after “Portsmouth”, strike “; (ii)” and unstrike “and”.
- Page 485, line 30, after “Norfolk”, insert “.” and strike “; (iii) \$350,000 the first year to the City of”.
- Page 485, strike lines 31 through 34.
- Page 486, line 7, unstrike “\$14,000,000”.
- Page 486, line 8, strike “\$19,000,000”.
- Page 486, line 14, after “this amount”, unstrike “,” and strike “(i)”.
- Page 486, line 18, after “population”, strike “; and (ii) \$5,000,000 the second year shall be provided to” and insert “.”.
- Page 486, strike line 19.
- Page 486, line 20, strike “locality.”.
- Page 486, line 24, after “paragraph.”, strike “For the fiscal”.
- Page 486, strike lines 25 through 26.

Explanation:

(This amendment removes all new funding provided for the Safer Communities Program and Community Violence Reduction Grants.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 161: Utilize disaster assistance funding for emergency communications equipment
Item 394**

Public Safety and Homeland Security

Department of Criminal Justice Services

Language

Language:

Page 489, after line 8, insert:

“BB. Of the amounts authorized for disaster mitigation efforts in paragraph Q.2. of Item 102 of this act, \$2,500,000 the first year from the general fund shall be transferred to the Department of Criminal Justice Services (the Department) for competitive grants to localities for the purchase of public safety radio and communications infrastructure equipment, under guidelines to be established by the Department. The Department shall prioritize localities that (i) score both above average or high on the Virginia Department of Housing and Community Development's (DHCD) fiscal stress index and double-distressed according to the Virginia Economic Development Partnership's (VEDP) Commonwealth Opportunity Funds Distressed Localities Assessment, and (ii) demonstrate the need for such communications equipment. Each receiving locality shall report to the Department on the use of the funds allocated to it. Any remaining balance at year-end shall be carried forward to the subsequent fiscal year.”

Explanation:

(This amendment adds language allowing up to \$2.5 million of disaster assistance funding authorized under the Department of Housing and Community Development to be utilized for the purchase by localities of public safety radio and communications equipment.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 162: Utilize other funding to support a new YWCA domestic violence campus to serve central Virginia

Item 394

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Criminal Justice Services | (\$500,000) | \$0 | GF |

Language:

Page 480, line 16, strike “\$229,978,308” and insert “\$229,478,308”.

Page 483, line 50, after “G.” insert “1.”.

Page 483, after line 55, insert “2. Included in the appropriation for this item is one-time funding of \$500,000 the second 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, including strategic planning, evaluation of safety protocols, and hiring and training of personnel in advance of alternative revenue sources becoming available upon operation.”.

Page 489, strike lines 4 through 8.

Explanation:

(This amendment removes funding provided to support a YWCA domestic violence campus to serve Central Virginia and directs a portion of funding provided for sexual assault and domestic violence grants to be used for the same purpose.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 163: Transfer funding for increased cost of admissions, placements, and contracted services for committed youth to the second year

Item 413

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of Juvenile Justice | (\$1,829,000) | \$1,829,000 | GF |

Language:

Page 495, line 21, strike "\$84,919,889" and insert "\$83,090,889".

Page 495, line 21, strike "\$66,309,000" and insert "\$68,138,000".

Explanation:

(This amendment transfers \$1.8 million general fund from the first year to the second year to support the increased costs of admissions, placements, and contracted services for committed youth.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 164: Remove funding provided for vetoed legislation (HB 1869)

Item 415

| Public Safety and Homeland Security | FY 24-25 | FY 25-26 | |
|--|-----------------|-----------------|----|
| Department of State Police | \$0 | (\$48,990) | GF |

Language:

Page 497, line 5, strike “\$121,443,515” and insert “\$121,394,525”.

Explanation:

(This amendment removes funding provided for one-time system changes required to implement the provisions of House Bill 1869, which revises the definition of an intimate partner in connection to firearm possession, assault, and battery. This legislation was vetoed by the Governor.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 165: Transfer responsibility for dredging at Wallops Island from Virginia Port Authority Item 421

Transportation

Virginia Commercial Space Flight Authority

Language

Language:

Page 505, after line 11, insert:

“A.1. Of the amounts in the Transportation Partnership Opportunity Fund, up to \$8,000,000 the first year is provided to support dredging near the north end of Wallops Island. The Virginia Commercial Space Flight Authority shall administer such 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. Any project costs that exceed the amounts provided in this paragraph shall be at the expense of the private sector signatory to the Memorandum of Understanding executed August 15, 2023, between the Commonwealth, Rocket Lab USA, INC, Virginia Space, and the Virginia Economic Development Partnership Authority. To the extent determined to be cost effective and practicable, the project should include shoreline stabilization to reduce the need for future dredging. The Virginia Commercial Space Flight Authority may collaborate with the Virginia Economic Development Partnership Authority, the Virginia Port Authority, commercial partners at the spaceport, and any federal, state, or local agency as may be necessary to complete the marine transport access project. The Director of the Department of Planning and Budget is hereby authorized to transfer moneys pursuant to this paragraph to the Virginia Commercial Space Flight Authority. After submission of a project funding schedule to the Secretary of Finance and the Director of the Department of Planning and Budget, only the Virginia Commercial Space Flight Authority may request that the Director release the funds according to such schedule.

2. No more than 30 days from completion of the dredging project, the Virginia Commercial Space Flight Authority shall submit a report to the Secretary of Finance, Secretary of Transportation, and to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees outlining total project costs and total funding paid by all sources.”

Explanation:

(This amendment earmarks \$8.0 million from the Transportation Partnership Opportunity Fund in fiscal year 2025 for a dredging project at Wallops Island to enable barges to deliver rockets and other materials to the launch site and the facilities.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 166: Support regional airport project

Item 422

Transportation

Virginia Department of Aviation

Language

Language:

Page 506, after line 20, insert: “H. After the Secretary of Transportation has certified that the Federal Aviation Administration has provided approval for a plan involving a runway modification project at the Roanoke-Blacksburg Regional Airport, the Director, Department of Planning and Budget shall approve a short-term, interest-free, state-supported treasury loan in the amount of \$20,000,000 to the Roanoke Regional Airport Commission to support such plan and runway project.”

Explanation:

(This amendment authorizes a \$20 million state-supported treasury loan for the Roanoke Regional Airport Commission to support a runway modification project at Roanoke-Blacksburg Regional Airport contingent upon Federal Aviation Administration approval of the project plan.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 167: Remove one-time support for Hampton Roads Transit
Item 433**

| Transportation | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Rail and Public Transportation | (\$200,000) | \$0 | GF |

Language:

Page 511, line 34, strike “\$986,091,629” and insert “\$985,891,629”.

Page 513, strike lines 20 through 21.

Explanation:

(This amendment removes funding to Hampton Roads Transit to support a one-time transit investment.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 168: Remove study requirement
Item 437**

| Transportation | FY 24-25 | FY 25-26 | |
|------------------------------|-----------------|-----------------|----|
| Department of Transportation | (\$250,000) | \$0 | GF |

Language:

Page 513, line 50, strike “\$153,528,798” and insert “\$153,278,798”.

Page 514, strike lines 39 through 43.

Explanation:

(This amendment removes one-time funding to support a highway equity study.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 169: Authorize funding for a visitor center in Colonial Williamsburg
Item 438**

Transportation

Virginia Department of Transportation

Language

Language:

Page 516, after line 48, insert:

“3. Of the amounts in the Transportation Partnership Opportunity Fund, \$5,000,000 the first year is provided to the City of Williamsburg to support a new Colonial Williamsburg Foundation visitor center.”

Explanation:

(This amendment earmarks \$5.0 million from the Transportation Partnership Opportunity Fund to support a new Colonial Williamsburg Foundation visitor center.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 170: Remove transit vehicle toll exemption
Item 441**

Transportation

Department of Transportation

Language

Language:

Page 519, strike lines 17 through 20.

Explanation:

(This amendment removes language directing the Commissioner of Highways to work with the Department of Rail and Public Transportation and toll operators to mitigate the charging of tolls for public transit buses.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 171: Modify fund source for NOAA PORTS sensor stations

Item 451

| Transportation | FY 24-25 | FY 25-26 | |
|-------------------------|-----------------|-----------------|-----|
| Virginia Port Authority | (\$325,000) | \$0 | GF |
| | \$325,000 | \$0 | NGF |

Language:

Page 531, line 13, strike “the general fund” and insert “nongeneral funds”.

Page 531, line 14, strike “provided to the Authority” and insert “authorized”.

Explanation:

(This amendment modifies the fund source of matching funds supporting the National Oceanic and Atmospheric Administration (NOAA) Physical Oceanographic Real Time System (PORTS) stations in the southern Chesapeake Bay.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 172: Transfer responsibility for dredging at Wallops Island to Virginia Commercial Space Flight Authority

Item 451

Transportation

Virginia Port Authority

Language

Language:

Page 530, strike lines 35 through 58.

Page 531, strike lines 1 through 12.

Explanation:

(This amendment transfers responsibility for a dredging project at Wallops Island from the Virginia Port Authority to the Virginia Commercial Space Flight Authority.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 173: Update compensation and benefit distributions for ODU/EVMS merger
Item 469**

| Central Appropriations | FY 24-25 | FY 25-26 | |
|-------------------------------|-----------------|-----------------|----|
| Central Appropriations | \$0 | \$2,614,657 | GF |

Language:

Page 539, line 2, strike “\$433,380,668” and insert “\$435,995,325”.

Page 540, line 25, strike “\$80,150,128” and insert “\$80,484,610”.

Page 545, line 46, strike “\$273,010,223” and insert “\$275,290,398”.

Explanation:

(This amendment updates Central Appropriations distributions for salary increases and health insurance premium changes to cover added costs associated with the ODU/EVMS merger.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 174: Modify contingent revenue surplus language
Item 470**

Central Appropriations

Central Appropriations

Language

Language:

Page 550, strike lines 14 through 27 and insert:

“N. 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 \$431,164,700, 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 to provide matching grants for Water Quality Improvement Fund eligible wastewater projects for Chesapeake Bay nutrient reductions authorized under Code of Virginia §§ 10.1-1186.01.F., 10.1-2131.C., and 62.1-44.19:14.G.1.”

Explanation:

(This amendment provides that up to \$431.1 million of any revenues collected in excess of the fiscal year 2025 revenue forecast shall be used to provide matching grants for Water Quality Improvement Fund eligible wastewater projects for Chesapeake Bay nutrient reductions.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 175: HB1928: Eliminate funding tied to accelerated minimum wage increase
Item 471**

| Central Appropriations | FY 24-25 | FY 25-26 | |
|-------------------------------|-----------------|-----------------|-----|
| Central Appropriations | \$0 | (\$2,020,020) | GF |
| | \$0 | (\$1,983,471) | NGF |

Language:

Page 550, line 31, strike "\$7,268,873" and insert "\$3,265,382".

Page 554, strike lines 12 through 17.

Explanation:

(This amendment removes funding tied to HB1928, which would have accelerated increases in the Virginia minimum wage.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 176: Restore Clean Energy Bank language
Item 471**

Central Appropriations

Central Appropriations

Language

Language:

Page 553, unstrike lines 44 through 46.

Explanation:

(This amendment restores language providing funding for the establishment of a Virginia Clean Energy Innovation Bank.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 177: Modify language related to Tech Talent distributions
Item 473**

Central Appropriations

Central Appropriations

Language

Language:

Page 555, line 5, after “therein,” strike remainder of the line.

Page 555, line 6, strike “shown in the table below and shall not be reduced. The”, and insert “the”.

Page 555, line 10, after “review” insert “and propose revisions to”.

Page 555, line 10, strike “any” and insert “FY 2026”.

Page 555, line 11, strike “reduction”.

Page 555, line 12, after “Virginia” insert “, by June 1, 2025”.

Page 555, line 13, strike “including” and insert “by the Secretary of Finance by August 1, 2025, and shall include”

Page 555 line 14, strike “at least one year prior to implementing the change”.

Page 555, strike lines 15 through 32.

Explanation:

(This amendment modifies language related to Tech Talent distributions.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 178: Restore Treasury Loan Language for Gaming Commission Implementation
Item 480**

Independent Agencies

Virginia Lottery

Language

Language:

Page 560, after line 2, insert:

“G. Notwithstanding the provisions of § 4-3.02 of this act, the Secretary of Finance may authorize an interest-free treasury loan in an amount not to exceed \$10,000,000 for the Virginia Lottery to fund start-up costs and other costs associated with the implementation of a potential gaming commission or other such combined gaming agency. The Secretary of Finance may extend the repayment plan for any such interest-free treasury loan for a period longer than twelve months.”

Explanation:

(This amendment restores Treasury loan language for Gaming Commission implementation.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 179: Use Commonwealth Savers Plan excess funding for Virginia Military Survivors and Dependents Program
Item 482**

Independent Agencies

Commonwealth Savers Plan

Language

Language:

Page 560, after line 39, insert:

“D. Notwithstanding any contrary provision of law, the Commonwealth Savers Plan with assistance from the State Comptroller, shall transfer \$60,000,000 each year from actuarial surplus amounts of Defined Benefit 529 Programs to the State Council of Higher Education for Virginia to offset the impact of programs under Title 23.1, Chapter 6, Code of Virginia, pursuant to Paragraph J, Item 130 of this act.”

Explanation:

(This amendment directs the transfer of a portion of the actuarial surplus from Defined Benefit 529 programs to the State Council of Higher Education for Virginia for Virginia Military Survivors and Dependents Program waivers. A companion amendment provides nongeneral fund appropriation for the waivers under the State Council of Higher Education for Virginia.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 180: Remove transfer of Electronic Nicotine Delivery System Fund
Item 489.10**

| Independent Agencies | FY 24-25 | FY 25-26 | |
|--------------------------------------|-----------------|-----------------|-----|
| Alcoholic Beverage Control Authority | \$0 | (\$150,000) | NGF |

Language:

Page 563, line 38, strike “\$34,416,173” and insert “\$34,266,173”.

Page 564, strike lines 30 through 35.

Explanation:

(This amendment removes the language and appropriation provided to allow the use of \$150,000 from the Electronic Nicotine Delivery Systems Fund for ABC retail enforcement of tobacco product sales. Legislation passed that removes ABC's involvement in this role.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 181: Remove treasury loan language for retail cannabis market
Item 489.30**

Independent Agencies

Cannabis Control Authority

Language

Language:

Page 565, strike lines 38 through 50.

Explanation:

(This amendment removes language authorizing a treasury loan to support the creation of a retail cannabis market pursuant to HB2485/SB970. These bills were vetoed by the Governor.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 182: Amend Fleet Management property language
Item C-3.60**

Secretary of Administration

Department of General Services

Language

Language:

Page 579, line 7, before “The”, insert “A.”

Page 579, line 13, strike “Chairs of the House Appropriations”.

Page 579, line 14, strike “and Senate Finance and Appropriations Committees by November 1, 2025.” and insert “Six-Year Capital Outlay Plan Advisory Committee.”

Page 579, after line 14, insert:

“B.1. Upon the submission of the review required by the preceding paragraph, the Six-Year Capital Outlay Plan Advisory Committee may authorize the relocation of the Office of Fleet Management Services and sale of the existing Fleet Management Services property and any property acquisition and improvements needed to relocate. The cost of any acquisition and improvements shall not exceed the estimated sale price of the existing property.

C.1. The Director of the Department of Planning and Budget may approve an interest-free treasury loan for the Department of General Services to complete any acquisition and improvements authorized by the Six-Year Capital Outlay Plan Advisory Committee for the relocation of the Office of Fleet Management Services.

2. If authorized by the Six-Year Capital Outlay Plan Advisory Committee, the property at 2400 West Leigh Street in the City of Richmond, currently occupied by the Department of General Services' Office of Fleet Management Services, shall be sold at fair market value.

3. The treasury loan shall be repaid from the proceeds of the sale of the current Fleet Management Services property.

4. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, or any other provisions of law, any proceeds from the sale of the Department of General Services' Office of Fleet Management Services exceeding the amount of the actual treasury loan amount needed shall be paid into the general fund.”

Explanation:

(This amendment permits the Six-Year Capital Outlay Plan Advisory Committee to authorize property acquisition, improvements, and sale to potentially relocate the Office of Fleet Management Services contingent upon the findings of the Department of General Services' review, and allows for financing such acquisition and improvements via treasury loan.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 183: Address Priority Facility Improvements
Item C-5**

| Education | FY 24-25 | FY 25-26 | |
|-------------------------|-----------------|-----------------|----|
| George Mason University | (\$8,250,000) | \$0 | GF |

Language:

Page 579, line 38, strike "\$28,250,000" and insert "\$20,000,000".

Explanation:

(This amendment provides an additional \$4.0 million for an umbrella project to address deferred maintenance needs of educational and general buildings.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 184: Improve Campus Security

Item C-8.60

Education

Norfolk State University

FY 24-25
(\$3,000,000)

FY 25-26
\$0 GF

Language:

Page 580, line 24, strike "\$8,633,223" and insert "\$5,633,223".

Explanation:

(This amendment provides \$3.0 million for property acquisition and ensuing demolition and site stabilization of resulting vacant land.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 185: Address acquisition of Oak Hill Item C-25

Natural and Historic Resources

Department of Conservation and Recreation

Language

Language:

Page 584, line 47, before “It” insert “A.”

Page 585, after line 3, insert:

“B.1. Upon meeting the contingencies set forth in this paragraph and the written approval of the Secretary of Finance and the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee, the Department may acquire and/or accept the donation of up to 1,250 acres of real property owned by land preservation organizations in Loudoun County to establish a new state park to be known as Oak Hill State Park. This authorization is contingent upon the following:

- a. the submission of a comprehensive funding plan that includes confirmation of \$52,000,000 of nongeneral fund resources to fully support the acquisition and subsequent development and operation of the proposed park, including \$22,000,000 from Loudoun County, up to \$18,000,000 in state and federal nongeneral funds, and at least \$12,000,000 in philanthropic and private sector support;
- b. the selection of a community foundation that has committed to holding and managing an endowment of the park;
- c. the initial launch of a Citizen Support Organization (CSO) to operate as a non-profit affiliate and support organization for the park, with such CSO operating under a fiscal sponsorship agreement with a local community foundation; and,
- d. the creation of a CSO advisory board consisting of representatives from the Department, the Department of Historic Resources, Loudoun County, The Conservation Fund, local/regional conservation and preservation organizations, national presidential commemorative or educational organizations, and the local philanthropic community, to develop bylaws, begin organizational growth and fundraising, and serve as a partner to the Department to complete the necessary steps to open and operate the park.

2. The Department shall report to the Secretary of Finance and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, on the status of achieving the deliverables no later than August 31, 2025, with a final report of such deliverables submitted no later than December 1, 2025.

3. Upon written approval of the Secretary of Finance and the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee, the Director, Department of Planning and Budget, is authorized to establish nongeneral fund appropriation to support the acquisition. In addition, the Director, Department of Planning and Budget is authorized to appropriate nongeneral fund operating appropriation to support the activation and operation of Oak Hill State Park.

4. It is the intent of this item that the acquisition and operation of Oak Hill State Park will be supported entirely by the nongeneral funds cited in this paragraph and revenues generated from Oak Hill State Park. No general fund appropriation shall be provided to support capital improvements to, or the operations of, Oak Hill State Park. All future costs associated with Oak Hill State Park shall be funded using revenues generated from Oak Hill State Park or by funds provided by the established Citizen Support Organization.”

2025 Reconvened Session Executive Amendments (HB 1600)

Explanation:

(This amendment establishes parameters for the Department of Conservation and Recreation to acquire property in Loudoun County known as Oak Hill for the establishment of a new state park.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 186: Remove additional funding for deferred maintenance
Item C-29.30**

| Natural and Historic Resources | FY 24-25 | FY 25-26 | |
|---|-----------------|-----------------|----|
| Department of Conservation and Recreation | (\$20,000,000) | \$0 | GF |

Language:

- Page 585, line 11, strike “\$20,000,000” and insert “\$0”.
- Page 585, line 13, strike “this” and insert “the”.
- Page 585, line 13, after “appropriation” insert “authorized for this project”.
- Page 585, line 15, strike “this” and insert “the”.
- Page 585, line 15, after “appropriation” insert “authorized for this project”.

Explanation:

(This amendment removes the additional general fund support provided to the agency’s deferred maintenance capital project and updates language designating use of the currently authorized appropriation for work at Breaks Interstate Park and Caledon State Park.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 187: DOC: Nottoway Correctional Center HVAC planning
Item C-32.10**

| Public Safety | FY 24-25 | FY 25-26 | |
|---------------------------|-----------------|-----------------|----|
| Department of Corrections | (\$24,500,000) | | GF |

Language:

Page 586, line 3, strike “Improvements” and insert “Planning”.

Page 586, line 4, strike “\$25,000,000” and insert “\$500,000”.

Page 586, strike lines 6 through 8 and insert:

“A. Out of this appropriation, \$500,000 the first year is provided for the department to conduct planning for necessary improvements at Nottoway Correctional Center to install adequate heating, ventilation, and air conditioning.”.

Explanation:

(This amendment reduces the amount of funds for HVAC improvements at Nottoway Correctional Center and specifies that the \$500,000 is for planning.)

2025 Reconvened Session Executive Amendments (HB 1600)

**Amendment 188: Reduce maintenance reserve transfer between years
Item C-46**

| Central Appropriations | FY 24-25 | FY 25-26 | |
|-------------------------------|-----------------|-----------------|----|
| Central Capital Outlay | (\$10,000,000) | \$0 | GF |

Language:

Page 588, line 28, strike "\$264,000,000" and insert "\$254,000,000".
Page 588, line 29, strike "\$264,000,000" and insert "\$254,000,000".

Page 588, line 34, strike "\$3,729,720" and insert "\$3,586,269".
Page 588, line 36, strike "\$1,717,692" and insert "\$1,651,627".
Page 588, line 38, strike "\$552,547" and insert "\$531,295".
Page 588, line 40, strike "\$18,830,094" and insert "\$18,259,706".
Page 588, line 42, strike "\$5,606,824" and insert "\$5,391,177".
Page 588, line 45, strike "\$5,517,286" and insert "\$5,305,083".
Page 588, line 47, strike "\$282,118" and insert "\$276,765".
Page 588, line 49, strike "\$696,888" and insert "\$670,085".
Page 589, line 1, strike "\$6,080,531" and insert "\$5,846,665".
Page 589, line 3, strike "\$19,310,254" and insert "\$18,567,552".
Page 589, line 5, strike "\$24,551,095" and insert "\$23,606,822".
Page 589, line 7, strike "\$3,795,492" and insert "\$3,649,512".
Page 589, line 9, strike "\$5,221,747" and insert "\$4,988,859".
Page 589, line 11, strike "\$3,893,157" and insert "\$3,743,420".
Page 589, line 13, strike "\$2,934,914" and insert "\$2,852,802".
Page 589, line 15, strike "\$8,265,157" and insert "\$8,158,805".
Page 589, line 17, strike "\$6,516,008" and insert "\$6,265,392".
Page 589, line 19, strike "\$6,890,423" and insert "\$6,779,253".
Page 589, line 21, strike "\$1,278,106" and insert "\$1,228,948".
Page 589, line 23, strike "\$6,424,209" and insert "\$6,177,124".
Page 589, line 25, strike "\$20,766,767" and insert "\$19,968,045".
Page 589, line 27, strike "\$4,019,561" and insert "\$3,899,634".
Page 589, line 29, strike "\$320,335" and insert "\$308,613".
Page 589, line 31, strike "\$520,711" and insert "\$500,684".
Page 589, line 33, strike "\$3,512,406" and insert "\$3,377,314".
Page 589, line 35, strike "\$2,529,541" and insert "\$2,451,482".
Page 589, line 37, strike "\$5,416,367" and insert "\$5,208,045".
Page 589, line 39, strike "\$33,069,575" and insert "\$31,797,668".
Page 589, line 41, strike "\$1,022,796" and insert "\$983,458".
Page 589, line 43, strike "\$2,834,276" and insert "\$2,725,265".
Page 589, line 45, strike "\$478,537" and insert "\$460,132".
Page 589, line 47, strike "\$272,911" and insert "\$269,093".
Page 589, line 49, strike "\$2,513,111" and insert "\$2,416,453".
Page 589, line 51, strike "\$525,508" and insert "\$479,590".

2025 Reconvened Session Executive Amendments (HB 1600)

Page 589, line 53, strike "\$1,987,379" and insert "\$1,910,941".

Page 589, line 55, strike "\$416,138" and insert "\$400,133".

Page 590, line 2, strike "\$10,532,270" and insert "\$10,127,183".

Page 590, line 5, strike "\$2,247,152" and insert "\$2,160,723".

Page 590, line 7, strike "\$1,027,481" and insert "\$987,963".

Page 590, line 9, strike "\$35,502,827" and insert "\$33,773,947".

Page 590, line 11, strike "\$268,884" and insert "\$265,737".

Page 590, line 13, strike "\$303,648" and insert "\$294,707".

Page 590, line 15, strike "\$874,899" and insert "\$777,147".

Page 590, line 17, strike "\$282,953" and insert "\$277,461".

Page 590, line 20, strike "\$338,618" and insert "\$332,182".

Page 590, line 22, strike "\$321,087" and insert "\$309,239".

Page 590, line 24, strike "\$264,000,000" and insert "\$254,000,000".

Explanation:

(This amendment reduces the transfer of \$60 million in maintenance reserve funding between FY 2026 and FY 2025 by \$10 million.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 189: Amend Hanover property transfer language Item C-48

Central Appropriations

Central Capital Outlay

Language

Language:

Page 595, strike lines 17 through 30 and insert:

“P.1. The scope of the Department of General Services (DGS) project to Replace State Laboratory (18706) shall be a 298,875 gross square feet lab facility and 401 surface parking spaces. The scope of the project may be expanded to include space to locate state pharmacy operations. Notwithstanding any other provision of law, by no later than December 31, 2025, the Department of Transportation (VDOT) shall transfer to DGS for the replacement of the Division of Consolidated Laboratory Services facility, the approximate 22 acre portion of Hanover County Tax Parcel 7795-99-9936 located directly south of Tax Parcel 7796-910-0272. If deemed necessary by agreement between VDOT and DGS, the minimum acreage needed by VDOT for a stormwater basin to accommodate additional parking needed by VDOT on the adjacent parcel (Hanover County Tax Parcel 7796-90-0272) owned and to be occupied by VDOT may be deducted from the property transfer. It is intended that VDOT will be reimbursed for the value of the land transferred to DGS out of future construction funding provided for the Replace State Laboratory project.

2. In the event that the foregoing property transfer to DGS necessitates a delay in VDOT’s plan to relocate its staff from the Annex Building in Richmond, DGS and VDOT may enter into an agreement for the continued use of the Annex Building pursuant to Paragraph I.2.b. of Item C-3.50 of this act.

3. Notwithstanding any other provision of law, VDOT shall market and sell, for fair market value, the remaining approximate 28 acre portion of Hanover County Tax Parcel 7795-99-9936. Any proceeds from the sale of the remaining acres may be used to supplement and support existing maintenance reserve and capital project needs for VDOT facilities and any proceeds not so used shall be deposited into the Transportation Trust Fund.”

Explanation:

(This amendment adjusts language directing the transfer of land in Hanover to the Department of General Services from the Virginia Department of Transportation to indicate that value of the land is intended to be reimbursed to the Virginia Department of Transportation out of future construction funding for the Department of General Services Laboratory project. This amendment also allows VDOT to market and sell the remaining portions of the property and also makes technical changes to the property transfer language.)

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Amendment 190: Authorize construction for the Virginia Military Institute Center for Leadership and Ethics Facility project

Item C-52.10

| Central Appropriations | FY 24-25 | FY 25-26 | |
|-------------------------------|-----------------|-----------------|-----|
| Central Capital Outlay | \$60,500,000 | \$0 | GF |
| | \$21,000,000 | \$0 | NGF |

Language:

Page 598, line 10, strike “\$795,375,294” and insert “\$876,875,294”.

Page 598, line 12, strike “\$144,800,000” and insert “\$165,800,000”.

Page 598, line 14, strike “\$626,043,774” and insert “\$686,543,774”.

Page 598, line 15, strike “\$169,331,520” and insert “\$190,331,520”.

Page 598, after line 29, insert:

“211 Virginia Military Institute Construct Center for Leadership and Ethics Facility, Phase II, and Parking Structure (18542)”.

Explanation:

(This amendment provides construction funding for the Leadership and Ethics Facility capital project at the Virginia Military Institute.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 191: Amend Nottoway Water Infrastructure project language Item C-53.60

Central Appropriations

Central Capital Outlay

Language

Language:

Page 600, strike lines 21 through 56 and insert:

“B. 1. 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, would be best satisfied by replacing the Town of Crewe's water treatment plant equipment and infrastructure, replacing the main water transmission line, improving the raw water intake line and pumps, and increasing water capacity by creating wells or raising the reservoir. The Department may execute the project to “Provide water infrastructure to state facilities in Nottoway County, Virginia” (194-18516), as authorized in Item C-67, Chapter 1289, 2020 Acts of Assembly, as described in this paragraph. However, nothing herein shall be deemed to limit the ability of the Department to pursue any other solution it later determines will best meet the necessary potable and fire protection water needs of the identified facilities.

2. The Department remains authorized to construct, provide, and improve infrastructure as necessary to implement the determined solution, to acquire by purchase, gift, or power of eminent domain such lands, structures, rights-of-way, franchises, easements, and other interests in lands of any person, association, partnership, corporation, railroad, public service, public utility, municipality or political subdivision, all without obtaining the consent or permission of any locality or public body. Condemnation proceedings authorized by the preceding sentence shall be conducted, at the option of the Department, under the provisions of Chapter 2 or Chapter 3 of Title 25.1 of the Virginia Code. The ownership, construction, and operation of the infrastructure shall not be subject to any state or local permitting requirements or similar ordinances or regulations. Upon completion of construction, the Department is authorized to transfer ownership and/or operation of all or any part of the property to one or more locality, which shall not require the consent or permission of any locality or public body. The exercise of the power of eminent domain for the purposes provided herein shall be and is declared to be a public use of such property.

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 “Provide water infrastructure to state facilities in Nottoway County, Virginia,” (194-18516) 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.

4. The Secretary of Finance, Department of Health (VDH), Department of Environmental Quality (DEQ), and other public entities as needed, shall form a workgroup to make a recommendation to the General Assembly no later than November 1, 2025, regarding the creation of a commission to oversee asset management planning and rates, and to monitor the operation and maintenance for the distribution of water via the infrastructure project authorized in this paragraph. Membership of the commission shall have a state majority and, at a minimum, shall include at least one representative from the Town of Crewe, one from other localities who purchase water

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or are otherwise directly impacted, representatives from VDH, DEQ, the Department of Behavioral Health and Developmental Services, the Department of Corrections, and other entities as so recommended by the workgroup. In its report, the workgroup shall provide recommendations on suggested ownership, rates, and stipulations for ongoing operations. Nothing related to the efforts of this workgroup shall delay or otherwise impact the progression of the capital project authorized in this paragraph.”

Page 601, strike line 1.

Explanation:

(This amendment adjusts the scope of a Nottoway water infrastructure project and retains flexibility for the Department of General Services to execute the solution it determines is best suited to address the water needs of state facilities in the area. A workgroup is also created to make recommendations regarding an oversight commission, ownership, rates, and operations of the water infrastructure.)

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Amendment 192: Lease of Culpepper Correctional Facility to Culpepper and Page Counties

Item 3-1.01

Transfers

Interfund Transfers

Language

Language:

Page 614, strike lines 7 through 9

Page 614, line 7 insert:

“KK. Upon the review and recommendation of the Secretary of Finance of an operational and funding plan and approval of the Governor, and notwithstanding any other provisions of law, the Culpepper Correctional Center (previously the Culpepper Juvenile Correctional Facility) property shall be leased for 99 years to the Counties of Culpepper and Page by the Department of Corrections in its current condition and not be subject to any further improvements by the Commonwealth, and all renovation and other real property improvements necessary for operation of a regional or local jail facility that might be operated on this property shall be the sole responsibility of the Counties of Culpepper and Page. All future operational costs of the regional or local facility shall be the sole responsibility of the localities. Notwithstanding any other provisions of law, the Compensation Board shall not approve or commit state funds for the operational cost of this facility, including salaries or local responsible inmate per diems, and the Board of Local and Regional Jails shall not recommend state funding for improvements, renovations, enlargement, equipment, or new construction on this property. Before a lease is agreed to, the Department of Corrections shall certify to the satisfaction of the Department of the Treasury that no outstanding state bonded debt is tied to the property, to include remediation of tax-advantage bonds that financed the construction, improvement, and equipping of the facility. If there is still outstanding state bonded debt tied to the property, the property shall not be leased until there is no longer state bonded debt tied to the property. In addition, both Culpepper and Page Counties shall sign a memorandum of understanding with the Secretary of Finance noting that these localities are not eligible for state capital or operating support for any local or regional jail operated on the property.”

Explanation:

(This amendment authorizes a long-term lease of the state facility and requires that the two localities be responsible for all capital improvements and future operating costs of the regional facility.)

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**Amendment 193: Transfer RGGI balances to the general fund
Item 3-1.01**

Transfers

Language

Interfund Transfers

Language:

Page 614, after line 37, insert:

“XX. Notwithstanding any other provision of law, on or before June 30, the State Comptroller shall transfer an estimated \$50,000,000 the first year to the general fund from the cash balances in Fund 02018 at the Department of Environmental Quality (440).”

Explanation:

(This amendment transfers \$50.0 million in nongeneral fund cash balances from the Department of Environmental Quality to the general fund.)

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**Amendment 194: Authorize working capital advance to support Virginia Opportunity Scholarships
Item 3-2.01**

**Working Capital Funds and Lines of
Credit**

Language

Advances to Working Capital Funds

Language:

Page 615, line 18, strike “Not set out.” and insert:

“ ADVANCES TO WORKING CAPITAL FUNDS

A. The State Comptroller shall make available to the Virginia Racing Commission, on July 1 of each year, the amount of \$125,000 from the general fund as a temporary cash flow advance, to be repaid by December 30 of each year.

B. The State Comptroller shall make available to the Department of the Treasury, a working capital advance of up to \$5,000,000 for start-up costs associated with implementing the Virginia Opportunity Scholarship Program pursuant to Item 125 of this act. Working capital advance amounts shall be repaid by administrative fees generated by the program.”.

Explanation:

(This amendment restores authorization of a working capital advance up to \$5.0 million for start-up costs related to Virginia Opportunity Scholarships under Direct Aid. A companion amendment in Direct Aid restores Virginia Opportunity Scholarships.)

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**Amendment 195: Restore provider payment rate assessment methodology
Item 3-5.15**

**Adjustments and Modifications to Tax
Collections**

Provider Payment Rate Assessment

Language

Language:

Page 617, strike lines 32 through 36.

Page 617, line 37, unstrike "I."

Page 617, line 37, strike "J."

Explanation:

(This amendment reverses changes to the hospital payment rate assessment authority to ensure that a federally responsible methodology is utilized.)

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**Amendment 196: Eliminate estimates of federal tax law changes reporting language
Item 4-1.02**

Appropriations

Withholding of Spending Authority

Language

Language:

Page 620, strike lines 10 through 23.

Explanation:

(This amendment removes new language that would have required the Department of Taxation to report on future federal tax changes within 30 business days and required the Governor to submit a new budget bill within 20 business days of receiving such a report.)

2025 Reconvened Session Executive Amendments (HB 1600)

Amendment 197: Eliminate federal grant reductions language

Item 4-1.02

Appropriations

Withholding of Spending Authority

Language

Language:

Page 621, strike lines 39 through 51.

Page 622, strike lines 1 and 2.

Explanation:

(This amendment removes new language that would have required the Department of Planning and Budget to report on federal grant revenue changes within 30 business days.)

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Amendment 198: Restrict funding for abortion services Item 4-5.04

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 622, line 19, strike “Not set out.” and insert:

“GOODS AND SERVICES

a. STUDENT ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION:

1. **Public Information Encouraged:** Each public institution of higher education is expected and encouraged to provide prospective students with accurate and objective information about its programs and services. The institution may use public funds under the control of the institution's Board of Visitors for the development, preparation and dissemination of factual information about the following subjects: academic programs; special programs for minorities; dates, times and procedures for registration; dates and times of course offerings; admission requirements; financial aid; tuition and fee schedules; and other information normally distributed through the college catalog. This information may be presented in any and all media, such as newspapers, magazines, television or radio where the information may be in the form of news, public service announcements or advertisements. Other forms of acceptable presentation would include brochures, pamphlets, posters, notices, bulletins, official catalogs, flyers available at public places and formal or informal meetings with prospective students.

2. **Excessive Promotion Prohibited:** Each public institution of higher education is prohibited from using public funds under the control of the institution's Board of Visitors for the development, preparation, dissemination or presentation of any material intended or designed to induce students to attend by exaggerating or extolling the institution's virtues, faculty, students, facilities or programs through the use of hyperbole. Artwork and photographs which exaggerate or extol rather than supplement or complement permissible information are prohibited. Mass mailings are generally prohibited; however, either mass mailings or newspaper inserts, but not both, may be used if other methods of distributing permissible information are not economically feasible in the institution's local service area.

3. **Remedial Education:** Senior institutions of higher education shall make arrangements with community colleges for the remediation of students accepted for admission by the senior institutions.

4. **Compliance:** The president or chancellor of each institution of higher education is responsible for the institution's compliance with this subsection.

b. INFORMATION TECHNOLOGY FACILITIES AND SERVICES:

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1.a) The Virginia Information Technologies Agency shall procure information technology and telecommunications goods and services of every description for its own benefit or on behalf of other state executive branch agencies and institutions, or authorize other state executive branch agencies or institutions to undertake such procurements on their own. For the purposes of § 4-5.04 of this act, “executive branch agency” means the same as that term is defined in § 2.2-2006, Code of Virginia.

b) Except for research projects, research initiatives, or instructional programs at public institutions of higher education, or any non-major information technology project request from the Virginia Community College System, Longwood University, or from an institution of higher education which is a member of the Virginia Association of State Colleges and University Purchasing Professionals (VASCUPP) as of July 1, 2003, or any procurement of information technology and telecommunications goods and services by public institutions of higher education governed by some combination of Chapters 933 and 945 of the 2005 Acts of Assembly, Chapters 824 and 829 of the 2008 Acts of Assembly, and those public institutions of higher education that have a Management Agreement with the Commonwealth of Virginia pursuant to the Restructured Higher Education Financial and Administrative Operations Act, requests for authorization from state agencies and institutions to procure information technology and telecommunications goods and services on their own behalf shall be made in writing to the Chief Information Officer or his designee. Members of VASCUPP as of July 1, 2003, are hereby recognized as: The College of William and Mary, George Mason University, James Madison University, Old Dominion University, Radford University, Virginia Commonwealth University, Virginia Military Institute, Virginia Polytechnic Institute and State University, and the University of Virginia.

c) The Chief Information Officer or his designee may grant the authorization upon a written determination that the request conforms to the statewide information technology plan and the individual information technology plan of the requesting agency or institution.

d) Any procurement authorized by the Chief Information Officer or his designee for information technology and telecommunications goods and services, including geographic information systems, shall be issued by the requesting state agency or institution in accordance with the regulations, policies, procedures, standards, and guidelines of the Virginia Information Technologies Agency.

e) Nothing in this subsection shall prevent public institutions of higher education or the Virginia Community College System from using the services of Network Virginia.

f) To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical research network infrastructure including the National LambdaRail and Internet2, the Network Virginia Contract Administrator is hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to establish and maintain research network infrastructure.

2. If the billing rates and associated systems for computer, telecommunications and systems development services to state agencies are altered, the Director, Department of Planning and Budget, may transfer appropriations from the general fund between programs affected. These transfers are limited to actions needed to adjust for overfunding or underfunding the program appropriations affected by the altered billing systems.

3. The provisions of this subsection shall not in any way affect the duties and responsibilities of the State Comptroller under the provisions of § 2.2-803, Code of Virginia.

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4. It is the intent of the General Assembly that information technology (IT) systems, products, data, and service costs, including geographic information systems (GIS), be contained through the shared use of existing or planned equipment, data, or services which may be available or soon made available for use by state agencies, institutions, authorities, and other public bodies. State agencies, institutions, and authorities shall cooperate with the Virginia Information Technologies Agency in identifying the development and operational requirements for proposed IT and GIS systems, products, data, and services, including the proposed use, functionality, capacity and the total cost of acquisition, operation and maintenance.

5. This section shall not apply to public institutions of higher education governed by some combination of Chapters 933 and 945 of the 2005 Acts of Assembly, Chapters 824 and 829 of the 2008 Acts of Assembly, those public institutions of higher education that have a Management Agreement with the Commonwealth of Virginia pursuant to the Restructured Higher Education Financial and Administrative Operations Act, or to the Virginia Alcoholic Beverage Control Authority.

6. Notwithstanding any other provision of law, state agencies that do not receive computer services from the Virginia Information Technologies Agency may develop their own policies and procedures governing the sale of surplus computers and laptops to their employees or officials. Any proceeds from the sale of surplus computers or laptops shall be deposited into the appropriate fund or funds used to purchase the equipment.

c. MOTOR VEHICLES AND AIRCRAFT:

1. No motor vehicles shall be purchased or leased with public funds by the state or any officer or employee on behalf of the state without the prior written approval of the Director, Department of General Services.

2. The institutions of higher education and the Alcoholic Beverage Control Authority shall be exempt from this provision but shall be required to report their entire inventory of purchased and leased vehicles including the cost of such to the Director of the Department of General Services by June 30 of each year. The Director of the Department of General Services shall compare the cost of vehicles acquired by institutions of higher education and the Authority to like vehicles under the state contract. If the comparison demonstrates for a given institution or the Authority that the cost to the Commonwealth is greater for like vehicles than would be the case based on a contract of statewide applicability, the Governor or his designee may suspend the exemption granted to the institution or the Authority pursuant to this subparagraph c.

3. The Director, Department of General Services, is hereby authorized to transfer surplus motor vehicles among the state agencies, and determine the value of such surplus equipment for the purpose of maintaining the financial accounts of the state agencies affected by such transfers.

d. MOTION PICTURE, TELEVISION AND RADIO SERVICES PRODUCTION: Except for public institutions of higher education that have a Management Agreement with the Commonwealth of Virginia pursuant to the Restructured Higher Education Financial and Administrative Operations Act, no state Executive Department agency or the Virginia Lottery Department shall expend any public funds for the production of motion picture films or of programs for television transmission, or for the operation of television or radio transmission facilities, without the prior written approval of the Governor or as otherwise provided in this act, except for educational television programs produced for elementary-secondary education by authority of the Virginia Information Technologies Agency. The Joint Subcommittee on Rules is authorized to provide the approval of such expenditures for legislative agencies. For judicial agencies and independent agencies, other

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than the Virginia Lottery Department, prior approval action rests with the supervisory bodies of these entities. With respect to television programs which are so approved and other programs which are otherwise authorized or are not produced for television transmission, state agencies may enter into contracts without competitive sealed bidding, or competitive negotiation, for program production and transmission services which are performed by public telecommunications entities, as defined in § 2.2-2006, Code of Virginia.

e. TRAVEL: Reimbursement for the cost of travel on official business of the state government is authorized to be paid pursuant to law and regulations issued by the State Comptroller to implement such law. Notwithstanding any contrary provisions of law:

1. For the use of personal automobiles in the discharge of official duties outside the continental limits of the United States, the State Comptroller may authorize an allowance not exceeding the actual cost of operation of such automobiles;

2. The first 15,000 miles of use during each fiscal year of personal automobiles in the discharge of official duties within the continental limits of the United States shall be reimbursed at an amount equal to the most recent business standard mileage rate as established by the Internal Revenue Service for employees or self-employed individuals to use in computing their income tax deductible costs for operating passenger vehicles owned or leased by them for business purposes, or in the instance of a state employee, at the lesser of (a) the IRS rate or (b) the lowest combined capital and operational trip pool rate charged by the Department of General Services, Office of Fleet Management Services (OFMS), posted on the OFMS website at time of travel, for the use of a compact state-owned vehicle. If the head of the state agency concerned certifies that a state-owned vehicle was not available, or if, according to regulations issued by the State Comptroller, the use of a personal automobile in lieu of a state-owned automobile is considered to be an advantage to the state, the reimbursement shall be at the rate of the IRS rate. For such use in excess of 15,000 miles in each fiscal year, the reimbursement shall be at a rate of 13.0 cents per mile, unless a state-owned vehicle is not available; then the rate shall be the IRS rate;

3. The State Comptroller may authorize exemptions to restrictions upon use of common carrier accommodations;

4. The State Comptroller may authorize reimbursement by per diem in lieu of actual costs of meals and any other expense category deemed necessary for the efficient and effective operation of state government;

5. State employees traveling on official business of state government shall be reimbursed for their travel costs using the same bank account authorized by the employee in which their net pay is direct deposited; and

6. This section shall not apply to members and employees of public school boards.

f. SMALL PURCHASE CHARGE CARD, ELECTRONIC DATA INTERCHANGE, DIRECT DEPOSIT, AND PAYLINE OPT OUT: The State Comptroller is hereby authorized to charge state agencies a fee of \$5 per check or earnings notice when, in his judgment, agencies have failed to comply with the Commonwealth's electronic commerce initiatives to reduce unnecessary administrative costs for the printing and mailing of state checks and earning notices. The fee shall be collected by the Department of Accounts through accounting entries.

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g. PURCHASES OF APPLIANCES AND EQUIPMENT: State agencies and institutions shall purchase Energy Star rated appliances and equipment in all cases where such appliances and equipment are available.

h. ELECTRONIC PAYMENTS: Any recipient of payments from the State Treasury who receives six or more payments per year issued by the State Treasurer shall receive such payments electronically. The State Treasurer shall decide the appropriate method of electronic payment and, through his warrant issuance authority, the State Comptroller shall enforce the provisions of this section. The State Comptroller is authorized to grant administrative relief to this requirement when circumstances justify non-electronic payment.

i. LOCAL AND NON-STATE SAVINGS AND EFFICIENCIES: It is the intent of the General Assembly that State agencies shall encourage and assist local governments, school divisions, and other non-state governmental entities in their efforts to achieve cost savings and efficiencies in the provision of mandated functions and services including but not limited to finance, procurement, social services programs, and facilities management.

j. TELECOMMUNICATION SERVICES AND DEVICES:

1. The Chief Information Officer and the State Comptroller shall develop statewide requirements for the use of cellular telephones and other telecommunication devices by executive branch agencies, addressing the assignment, evaluation of need, safeguarding, monitoring, and usage of these telecommunication devices. The requirements shall include an acceptable use agreement template clearly defining an employee's responsibility when they receive and use a telecommunication device. Statewide requirements shall require some form of identification on a device in case it is lost or stolen and procedures to wipe the device clean of all sensitive information when it is no longer in use.

2. Executive branch agencies providing employees with telecommunication devices shall develop agency-specific policies, incorporating the guidance provided in § 4-5.04 k. 1. of this act and shall maintain a cost justification for the assignment or a public health, welfare and safety need.

3. The Chief Information Officer shall determine the optimal number of telecommunication vendors and plans necessary to meet the needs of executive branch agency personnel. The Chief Information Officer shall regularly procure these services and provide statewide contracts for use by all such agencies. These contracts shall require the vendors to provide detailed usage information in a useable electronic format to enable the executive branch agencies to properly monitor usage to make informed purchasing decisions and minimize costs.

4. The Chief Information Officer shall examine the feasibility of providing tools for executive branch agencies to analyze usage and cost data to assist in determining the most cost effective plan combinations for the entity as a whole and individual users.

k. ALTERNATIVE PROCUREMENT: If any payment is declared unconstitutional for any reason or if the Attorney General finds in a formal, written, legal opinion that a payment is unconstitutional, in circumstances where a good or service can constitutionally be the subject of a purchase, the administering agency of such payment is authorized to use the affected appropriation to procure, by means of the Commonwealth's Procurement Act, goods and services, which are similar to those sought by such payment in order to accomplish the original legislative intent.

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l. MEDICAL SERVICES: No expenditures from general or nongeneral fund sources may be made out of any appropriation by the General Assembly for providing abortion services, except otherwise as required by federal law ~~or state statute~~.

m. In an effort to expand cooperative procurement efforts, all public institutions of higher education in the Commonwealth of Virginia may access the Virginia Association of State Colleges and University Purchasing Professionals (VASCUPP) contracts regardless of their level of purchasing delegated authority, non-VASCUPP institutions shall amend terms and conditions of VASCUPP contracts to incorporate Virginia Public Procurement Act, and Commonwealth of Virginia Agency Procurement and Surplus Property Manual.”

Explanation:

(This amendment prohibits any funding in the budget from being used for abortion services unless otherwise required by federal law. Current language allows funding to be used if required by state law.)

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Amendment 199: Extend certain expiring tax credits

Item 4-14

Effective Date

Effective Date

Language

Language:

Page 648, after line 49, insert:

"14. That §§ 58.1-439, 58.1-439.12:08, and 58.1-439.12:11 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-439. Major business facility job tax credit.

A. For taxable years beginning on and after January 1, 1995, but before July 1, ~~2025~~ 2027, a taxpayer shall be allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10 (§ 58.1-400 et seq.) of Chapter 3; Chapter 12 (§ 58.1-1200 et seq.); Article 1 (§ 58.1-2500 et seq.) of Chapter 25; or Article 2 (§ 58.1-2620 et seq.) of Chapter 26 as set forth in this section.

B. For purposes of this section, the amount of any credit attributable to a partnership, electing small business corporation (S corporation), or limited liability company shall be allocated to the individual partners, shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

C. A "major business facility" is a company that satisfies the following criteria:

1. Subject to the provisions of subsections K or L, the establishment or expansion of the company shall result in the creation of at least 50 jobs for qualified full-time employees; the first such 50 jobs shall be referred to as the "threshold amount"; and

2. The company is engaged in any business in the Commonwealth, except a retail trade business if such trade is the principal activity of an individual facility in the Commonwealth. Examples of types of major business facilities that are eligible for the credit provided under this section include, but are not limited to, a headquarters, or portion of such a facility, where company employees are physically employed, and where the majority of the company's financial, personnel, legal or planning functions are handled either on a regional or national basis. A company primarily engaged in the Commonwealth in the business of manufacturing or mining; agriculture, forestry or fishing; transportation or communications; or a public utility subject to the corporation income tax shall be deemed to have established or expanded a major business facility in the Commonwealth if it meets the requirements of subdivision 1 during a single taxable year and such facilities are not retail establishments. A major business facility shall also include facilities that perform central management or administrative activities, whether operated as a separate trade or business, or as a separate support operation of another business. Central management or administrative activities include, but are not limited to, general management; accounting; computing; tabulating; purchasing; transportation or shipping; engineering and systems planning; advertising; technical sales and support operations; central administrative offices and warehouses; research, development and testing laboratories; computer-programming, data-processing and other computer-related services facilities; and legal, financial, insurance, and real estate services. The terms used in

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this subdivision to refer to various types of businesses shall have the same meanings as those terms are commonly defined in the Standard Industrial Classification Manual.

D. For purposes of this section, the "credit year" is the first taxable year following the taxable year in which the major business facility commenced or expanded operations.

E. The Department of Taxation shall make all determinations as to the classification of a major business facility in accordance with the provisions of this section.

F. A "qualified full-time employee" means an employee filling a new, permanent full-time position in a major business facility in the Commonwealth. A "new, permanent full-time position" is a job of an indefinite duration, created by the company as a result of the establishment or expansion of a major business facility in the Commonwealth, requiring a minimum of 35 hours of an employee's time a week for the entire normal year of the company's operations, which "normal year" shall consist of at least 48 weeks, or a position of indefinite duration which requires a minimum of 35 hours of an employee's time a week for the portion of the taxable year in which the employee was initially hired for, or transferred to, the major business facility in the Commonwealth. Seasonal or temporary positions, or a job created when a job function is shifted from an existing location in the Commonwealth to the new major business facility and positions in building and grounds maintenance, security, and other such positions which are ancillary to the principal activities performed by the employees at a major business facility shall not qualify as new, permanent full-time positions.

G. For any major business facility, the amount of credit earned pursuant to this section shall be equal to \$1,000 per qualified full-time employee, over the threshold amount, employed during the credit year. The credit shall be allowed ratably, with one-third of the credit amount allowed annually for three years beginning with the credit year. However, for taxable years beginning on or after January 1, 2009, one-half of the credit amount shall be allowed each year for two years. The portion of the \$1,000 credit earned with respect to any qualified full-time employee who is employed in the Commonwealth for less than 12 full months during the credit year will be determined by multiplying the credit amount by a fraction, the numerator of which is the number of full months that the qualified full-time employee worked for the major business facility in the Commonwealth during the credit year, and the denominator of which is 12. A separate credit year and a three-year allowance period shall exist for each distinct major business facility of a single taxpayer, except for credits allowed for taxable years beginning on or after January 1, 2009, when a two-year allowance period shall exist for each distinct major business facility of a single taxpayer.

H. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable year. Any credit not usable for the taxable year the credit was allowed may be, to the extent usable, carried over for the next 10 succeeding taxable years. No credit shall be carried back to a preceding taxable year. In the event that a taxpayer who is subject to the tax limitation imposed pursuant to this subsection is allowed another credit pursuant to any other section of the Code of Virginia, or has a credit carryover from a preceding taxable year, such taxpayer shall be considered to have first utilized any credit allowed which does not have a carryover provision, and then any credit which is carried forward from a preceding taxable year, prior to the utilization of any credit allowed pursuant to this section.

I. No credit shall be earned pursuant to this section for any employee (i) for whom a credit under this section was previously earned by a related party as defined by Internal Revenue Code § 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (ii) who was previously employed in the same job function in Virginia by a related party as defined by Internal Revenue Code § 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (iii) whose job function was

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previously performed at a different location in Virginia by an employee of the taxpayer, a related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue Code § 52(b); or (iv) whose job function previously qualified for a credit under this section at a different major business facility on behalf of the taxpayer, a related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue Code § 52(b).

J. Subject to the provisions of subsections K or L, recapture of this credit, under the following circumstances, shall be accomplished by increasing the tax in any of the five years succeeding the taxable year in which a credit has been earned pursuant to this section if the number of qualified full-time employees decreases below the average number of qualified full-time employees employed during the credit year. Such tax increase amount shall be determined by (i) recomputing the credit which would have been earned for the original credit year using the decreased number of qualified full-time employees and (ii) subtracting such recomputed credit from the amount of credit previously earned. In the event that the average number of qualifying full-time employees employed at a major business facility falls below the threshold amount in any of the five taxable years succeeding the credit year, all credits earned with respect to such major business facility shall be recaptured. No credit amount will be recaptured more than once pursuant to this subsection. Any recapture pursuant to this section shall reduce credits earned but not yet allowed, and credits allowed but carried forward, before the taxpayer's tax liability may be increased.

K. In the event that a major business facility is located in an economically distressed area or in an enterprise zone as defined in Chapter 49 (§ 59.1-538 et seq.) of Title 59.1 during a credit year, the threshold amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 50 to 25 for purposes of subdivision C 1 and subsection J. An area shall qualify as economically distressed if it is a city or county with an unemployment rate for the preceding year of at least 0.5 percent higher than the average statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify and publish a list of all economically distressed areas at least annually.

L. For taxable years beginning on or after January 1, 2004, but before January 1, 2006, in the event that a major business facility is located in a severely economically distressed area, the threshold amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 100 to 25 for purposes of subdivision C 1 and subsection J. However, the total amount of credit allowable under this subsection shall not exceed \$100,000 in aggregate. An area shall qualify as severely economically distressed if it is a city or county with an unemployment rate for the preceding year of at least twice the average statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify and publish a list of all severely economically distressed areas at least annually.

M. The Tax Commissioner shall promulgate regulations, in accordance with the Administrative Process Act (§ 2.2-4000 et seq.), relating to (i) the computation, carryover, and recapture of the credit provided under this section; (ii) defining criteria for (a) a major business facility, (b) qualifying full-time employees at such facility, and (c) economically distressed areas; and (iii) the computation, carryover, recapture, and redemption of the credit by affiliated companies pursuant to subsection S.

N. The provisions of this section shall apply only in instances where an announcement of intent to establish or expand a major business facility is made on or after January 1, 1994. An announcement of intent to establish or expand a major business facility includes, but is not limited to, a press conference or extensive press coverage, providing information with respect to the impact of the project on the economy of the area where the major business facility is to be established or expanded and the Commonwealth as a whole.

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O. The credit allowed pursuant to this section shall be granted to the person who pays taxes for the qualified full-time employees pursuant to Chapter 5 (§ 60.2-500 et seq.) of Title 60.2.

P. No person shall claim a credit allowed pursuant to this section and the credit allowed pursuant to § 58.1-439.2. Any qualified business firm receiving an enterprise zone job creation grant under § 59.1-547 shall not be eligible to receive a major business facility job tax credit pursuant to this section for any job used to qualify for the enterprise zone job creation grant.

Q. No person operating a business in the Commonwealth pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 shall claim a credit pursuant to this section.

R. Notwithstanding subsection O, a taxpayer may, for the purpose of determining the number of qualified full-time employees at a major business facility, include the employees of a contractor or a subcontractor if such employees are permanently assigned to the taxpayer's major business facility. If the taxpayer includes the employees of a contractor or subcontractor in its total of qualified full-time employees, it shall enter into a contractual agreement with the contractor or subcontractor prohibiting the contractor or subcontractor from also claiming these employees in order to receive a credit given under this section. The taxpayer shall provide evidence satisfactory to the Department of Taxation that it has entered into such a contract.

S. For purposes of satisfying the criteria of subdivision C 1, two or more affiliated companies may elect to aggregate the number of jobs created for qualified full-time employees as the result of the establishment or expansion by the individual companies in order to qualify for the credit allowed pursuant to this section. For purposes of this subsection, "affiliated companies" means two or more companies related to each other such that (i) one company owns at least 80 percent of the voting power of the other or others or (ii) at least 80 percent of the voting power of two or more companies is owned by the same interests.

T. The General Assembly of Virginia finds that modern business infrastructure allows businesses to locate their administrative or manufacturing facilities with minimal regard to the location of markets or the transportation of raw materials and finished goods, and that the economic vitality of the Commonwealth would be enhanced if such facilities were established in Virginia. Accordingly, the provisions of this section targeting the credit to major business facilities and limiting the credit to those companies which establish a major business facility in Virginia are integral to the purpose of the credit earned pursuant to this section and shall not be deemed severable.

U. For taxable years beginning on and after January 1, 2019, and notwithstanding the provisions of § 58.1-3 or any other provision of law, the Department of Taxation, in consultation with the Virginia Economic Development Partnership, shall publish the following information by November 1 of each year for the 12-month period ending on the preceding December 31:

1. The location of sites used for major business facilities for which a credit was claimed;
2. The North American Industry Classification System codes used for the major business facilities for which a credit was claimed;
3. The number of qualified full time employees for whom a credit was claimed; and
4. The total cost to the Commonwealth's general fund of the credits claimed.

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Such information shall be published by the Department, regardless of how few taxpayers claimed the tax credit, in a manner that prevents the identification of particular taxpayers, reports, returns, or items.

§ 58.1-439.12:08. Research and development expenses tax credit.

A. As used in this section, unless the context requires a different meaning:

"Virginia base amount" means the base amount as defined in § 41(c) of the Internal Revenue Code, as amended, that is attributable to Virginia, determined by (i) substituting "Virginia qualified research and development expense" for "qualified research expense"; (ii) substituting "Virginia qualified research" for "qualified research"; and (iii) instead of "fixed base percentage," using:

1. The percentage that the Virginia qualified research and development expense for the three taxable years immediately preceding the current taxable year in which the expense is incurred is of the taxpayer's total gross receipts for such years; or
2. The percentage that the Virginia qualified research and development expense for the applicable number of taxable years immediately preceding the current taxable year in which the expense is incurred is of the taxpayer's total gross receipts for such years, for the taxpayer that has fewer than three but at least one prior taxable year.

"Virginia gross receipts" means the same as "gross receipts" as defined in § 58.1-3700.1.

"Virginia qualified research" means qualified research, as defined in § 41(d) of the Internal Revenue Code, as amended, that is conducted in the Commonwealth.

"Virginia qualified research and development expenses" means qualified research expenses, as defined in § 41(b) of the Internal Revenue Code, as amended, incurred for Virginia qualified research.

B. 1. For taxable years beginning on or after January 1, 2011, but before January 1, 2021, a taxpayer shall be allowed a credit against the tax levied pursuant to § 58.1-320 or 58.1-400 in an amount equal to (i) 15 percent of the first \$300,000 in Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year or (ii) 20 percent of the first \$300,000 in Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year if the Virginia qualified research was conducted in conjunction with a public or private institution of higher education in the Commonwealth, to the extent the expenses exceed the Virginia base amount for the taxpayer.

2. For taxable years beginning on or after January 1, 2021, but before January 1, ~~2025~~ 2027, a taxpayer shall be allowed a credit against the tax levied pursuant to § 58.1-320, 58.1-400, or 58.1-1202 in an amount equal to (i) 15 percent of the first \$300,000 in Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year or (ii) 20 percent of the first \$300,000 in Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year if the Virginia qualified research was conducted in conjunction with a public or private institution of higher education in the Commonwealth, to the extent the expenses exceed the Virginia base amount for the taxpayer.

C. 1. Effective for taxable years beginning on or after January 1, 2016, at the election of the taxpayer, the credit otherwise allowed under this section shall be computed under this subsection and shall equal 10 percent of the difference of (i) the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50 percent of the average Virginia qualified research and development expenses

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paid or incurred by the taxpayer for the three taxable years immediately preceding the taxable year for which the credit is being determined. If the taxpayer did not pay or incur Virginia qualified research and development expenses in any one of the three taxable years immediately preceding the taxable year for which the credit is being determined, the tax credit shall equal five percent of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the relevant taxable year.

2. The aggregate amount of credits allowed to each taxpayer under this subsection shall not exceed \$45,000 for the taxable year, except that the aggregate amount of credits allowed to each taxpayer shall not exceed \$60,000 for the taxable year if the Virginia qualified research was conducted in conjunction with a public institution of higher education in the Commonwealth or a private institution of higher education in the Commonwealth.

D. The aggregate amount of credits available under this section for each fiscal year of the Commonwealth shall be as follows:

1. For taxable years beginning on and after January 1, 2014, but before January 1, 2016, the total amount of credits granted for each of fiscal years 2015 and 2016 shall not exceed \$6 million.

2. For taxable years beginning on and after January 1, 2016, but before January 1, 2021, the total amount of credits granted for each fiscal year of the Commonwealth beginning with fiscal year 2017 shall not exceed \$7 million.

3. For taxable years beginning on and after January 1, 2021, but before January 1, 2023, the total amount of credits granted for each fiscal year of the Commonwealth beginning with fiscal year 2022 shall not exceed \$7.77 million.

4. For taxable years beginning on and after January 1, 2023, the total amount of credits granted for each fiscal year of the Commonwealth beginning with fiscal year 2024 shall not exceed \$15.77 million.

E. A taxpayer meeting the requirements of this section shall be eligible to receive a tax credit as provided herein. The Department shall develop and publish guidelines for applications and such guidelines shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.). Applications must be received by the Department no later than September 1 of the calendar year following the close of the taxable year in which the expenses were paid or incurred. In the event that approved applications for the tax credits allowed under this section exceed the amount of credits specified in subsection D for the taxable year, the Department shall apportion the credits by dividing the amount of credits specified in subsection D by the total amount of tax credits approved, to determine the percentage of allowed tax credits each taxpayer shall receive. In the event that the total amount of approved tax credits under this section for all applications for any taxable year is less than the maximum amount of credits for the year as specified in subsection D, the Department shall allocate credits up to the maximum amount as specified in subsection D, on a pro rata basis, to taxpayers who are already approved for the tax credit for the taxable year, in the following amounts:

1. If the taxpayer computed the credit pursuant to subsection B, in an amount equal to 15 percent of the second \$300,000 in qualified research expenses during the taxable year or 20 percent of the second \$300,000 in qualified research expenses if the Virginia qualified research was conducted in conjunction with a public institution of higher education in the Commonwealth or a private institution of higher education in the Commonwealth; or

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2. If the taxpayer computed the credit under subdivision C 1, in an amount equal to the excess of the limitation set forth in subdivision C 2, up to an additional \$45,000 per taxpayer, or \$60,000 per taxpayer if the Virginia qualified research was conducted in conjunction with a public institution of higher education in the Commonwealth or a private institution of higher education in the Commonwealth.

F. If the amount of the credit allowed exceeds the taxpayer's tax liability for the taxable year, the amount that exceeds the tax liability shall be refunded to the taxpayer, subject to the limitations set forth in the guidelines developed by the Department.

G. Any taxpayer who claims the tax credit for Virginia qualified research and development expenses pursuant to this section shall not use such expenses as the basis for claiming any other credit provided under the Code of Virginia.

H. Effective for taxable years beginning on or after January 1, 2016, no taxpayer with Virginia qualified research and development expenses in excess of \$5 million for the taxable year shall claim both the credit allowed pursuant to this section and the credit allowed under § 58.1-439.12:11 for such year.

I. Credits granted to a partnership, limited liability company, or electing small business corporation (S corporation) shall be allocated to the individual partners, members, or shareholders, respectively, in proportion to their ownership interests in such entities or in accordance with a written agreement entered into by such individual partners, members, or shareholders, unless the partnership, limited liability company, or electing small business corporation (S corporation) elects for such credits not to be so allocated but to be received and claimed at the entity level by the partnership, limited liability company, or electing small business corporation (S corporation) pursuant to guidelines that shall be issued by the Department for purposes of such election.

J. The Department shall adopt guidelines to prescribe standards for determining when research and development is considered conducted in the Commonwealth for purposes of allowing the credit under this section. In adopting guidelines, the Department may consider (i) the location where the research and development is performed; (ii) the residence or business location of the taxpayer or taxpayers conducting the research and development; (iii) the location where supplies used in the research and development are consumed; and (iv) any other factors that the Department deems to be relevant.

K. The Tax Commissioner's annual report to the Governor on revenue collections by tax source shall include (i) the total number of applicants approved for tax credits pursuant to this section for the applicable tax year and (ii) the total amount of such tax credits approved for the applicable tax year.

L. The Department shall require taxpayers applying for the credit to provide information including (i) the number of full-time employees employed by the taxpayer in the Commonwealth during the taxable year for which the credit is sought; (ii) the taxpayer's sector or sectors according to the 2012 edition of the North American Industry Classification System (NAICS) as published by the United States Census Bureau; (iii) a brief description of the area, discipline, or field of Virginia qualified research performed by the taxpayer; (iv) the total gross receipts or anticipated total gross receipts of the taxpayer for the taxable year for which the credit is sought; and (v) whether the Virginia qualified research was conducted in conjunction with a Virginia public or private college or university. The Department shall aggregate and summarize the information collected and make it available to the Governor and any member of the General Assembly upon request, regardless of the number of taxpayers applying for the credit.

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M. No tax credit shall be allowed pursuant to this section if the otherwise qualified research and development expenses are paid for or incurred by a taxpayer for research conducted in the Commonwealth on human cells or tissue derived from induced abortions or from stem cells obtained from human embryos. The foregoing provision shall not apply to research conducted using stem cells other than embryonic stem cells.

§ 58.1-439.12:11. Major research and development expenses tax credit.

A. As used in this section, unless the context requires a different meaning:

"Virginia qualified research" means qualified research, as defined in § 41(d) of the Internal Revenue Code, as amended, that is conducted in the Commonwealth.

"Virginia qualified research and development expenses" means qualified research expenses, as defined in § 41(b) of the Internal Revenue Code, as amended, incurred for Virginia qualified research.

B. 1. For taxable years beginning on or after January 1, 2016, but before January 1, 2021, a taxpayer with Virginia qualified research and development expenses for the taxable year in excess of \$5 million shall be allowed a credit against the tax levied pursuant to § 58.1-320 or 58.1-400 in an amount equal to 10 percent of the difference between (i) the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50 percent of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the three taxable years immediately preceding the taxable year for which the credit is being determined. If the taxpayer did not pay or incur Virginia qualified research and development expenses in any one of the three taxable years immediately preceding the taxable year for which the credit is being determined, the tax credit shall equal five percent of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the relevant taxable year.

2. For taxable years beginning on or after January 1, 2021, but before January 1, 2023, a taxpayer with Virginia qualified research and development expenses for the taxable year in excess of \$5 million shall be allowed a credit against the tax levied pursuant to § 58.1-320, 58.1-400, or 58.1-1202 in an amount equal to 10 percent of the difference between (i) the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50 percent of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the three taxable years immediately preceding the taxable year for which the credit is being determined. If the taxpayer did not pay or incur Virginia qualified research and development expenses in any one of the three taxable years immediately preceding the taxable year for which the credit is being determined, the tax credit shall equal five percent of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the relevant taxable year.

3. For taxable years beginning on or after January 1, 2023, but before January 1, ~~2025~~ 2027, a taxpayer with Virginia qualified research and development expenses for the taxable year in excess of \$5 million shall be allowed a credit against the tax levied pursuant to § 58.1-320, 58.1-400, or 58.1-1202 in an amount equal to:

a. Ten percent, up to the first \$1 million, of the difference between (i) Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50 percent of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the three taxable years immediately preceding the taxable year for which the credit is being determined.

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b. Five percent of the difference in excess of \$1 million between (i) any Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50 percent of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the three taxable years immediately preceding the taxable year for which the credit is being determined.

If the taxpayer did not pay or incur Virginia qualified research and development expenses in any one of the three taxable years immediately preceding the taxable year for which the credit is being determined, the tax credit shall equal five percent of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the relevant taxable year.

The aggregate amount of credits allowed to each taxpayer under this subdivision 3 shall not exceed \$300,000 for the taxable year, except that the aggregate amount of credits allowed to each taxpayer shall not exceed \$400,000 for the taxable year if the Virginia qualified research was conducted in conjunction with a public institution of higher education in the Commonwealth or a private institution of higher education in the Commonwealth.

C. 1. For taxable years beginning before January 1, 2021, the aggregate amount of credits granted for each fiscal year of the Commonwealth pursuant to this section shall not exceed \$20 million.

2. For taxable years beginning on and after January 1, 2021, but before January 1, 2023, the aggregate amount of credits granted for each fiscal year of the Commonwealth pursuant to this section shall not exceed \$24 million.

3. For taxable years beginning on or after January 1, 2023, the aggregate amount of credits granted for each fiscal year of the Commonwealth pursuant to this section shall not exceed \$16 million.

D. In the event that approved applications for the tax credits allowed under this section exceed the limit described in subsection C for any taxable year, the Department shall apportion the credits by dividing such limit by the total amount of tax credits approved, to determine the percentage of allowed tax credits each taxpayer shall receive.

E. The amount of the credit claimed for the taxable year shall not exceed 75 percent of the total amount of tax imposed by this chapter upon the taxpayer for the taxable year. Any credit not usable for the taxable year for which the credit was first allowed may be carried over for credit against the income taxes of the taxpayer in the next 10 succeeding taxable years or until the total amount of the tax credit has been taken, whichever is sooner.

F. Any taxpayer who claims the tax credit for Virginia qualified research and development expenses pursuant to this section shall not use such expenses as the basis for claiming any other credit provided under the Code of Virginia.

G. Credits granted to a partnership, limited liability company, or electing small business corporation (S corporation) shall be allocated to the individual partners, members, or shareholders, respectively, in proportion to their ownership interests in such entities or in accordance with a written agreement entered into by such individual partners, members, or shareholders.

H. The Department shall develop and publish guidelines under this section including guidelines for applying for the tax credit. Such guidelines shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.).

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Applications for the tax credit must be received by the Department no later than September 1 of the calendar year following the close of the taxable year in which the expenses were paid or incurred.

The Department shall also adopt guidelines to prescribe standards for determining when research and development is considered conducted in the Commonwealth for purposes of allowing the credit under this section. In adopting guidelines, the Department may consider (i) the location where the research and development is performed; (ii) the residence or business location of the taxpayer or taxpayers conducting the research and development; (iii) the location where supplies used in the research and development are consumed; and (iv) any other factors that the Department deems to be relevant.

I. No tax credit shall be allowed pursuant to this section, if the otherwise qualified research and development expenses are paid for or incurred by a taxpayer for research conducted in the Commonwealth on human cells or tissue derived from induced abortions or from stem cells obtained from human embryos. The foregoing provision shall not apply to research conducted using stem cells other than embryonic stem cells.”

Page 648, line 50, strike “14.” and insert “15.”

Page 649, line 1, strike “15.” and insert “16.”

Page 649, line 1, strike "and".

Page 649, line 2, after "thirteenth", insert ", and fourteenth".

Page 649, line 3, strike “16.” and insert “17.”

Explanation:

(This amendment extends the sunset date for the Major Business Facility Job Tax Credit, Major Research and Development Tax Credit, and Research and Development Expenses Tax Credit from 2025 to 2027.)

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**Amendment 200: Extend Earned Income Tax Credit changes sunset
Item 4-14**

Effective Date

Effective Date

Language

Language:

Page 647, line 39, strike “but before January 1, 2027”.

Explanation:

(This amendment makes permanent the 20 percent refundable earned income tax credit. Under the enrolled bill, the 20 percent refundable earned income tax credit would expire on January 1, 2027.)

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Amendment 201: Extend standard deduction and PTET sunsets

Item 4-14

Effective Date

Effective Date

Language

Language:

Page 644, line 37, after “§§ 58.1-322.03,” insert “58.1-332”.

Page 644, line 47, strike “and on and after January 1, 2027”.

Page 645, line 4, strike “but before January 1, 2027,”.

Page 647, after line 9, insert:

“§ 58.1-332. Credits for taxes paid other states.

A. Whenever a Virginia resident has become liable to another state for income tax on any earned or business income or any gain on the sale of a capital asset (within the meaning of § 1221 of the Internal Revenue Code), not including an asset used in a trade or business, to the extent that such gain is included in federal adjusted gross income, for the taxable year, derived from sources outside the Commonwealth and subject to taxation under this chapter, the amount of such tax payable by him shall, upon proof of such payment, be credited on the taxpayer's return with the income tax so paid to the other state.

However, no franchise tax, license tax, excise tax, unincorporated business tax, occupation tax or any tax characterized as such by the taxing jurisdiction, although applied to earned or business income, shall qualify for a credit under this section, nor shall any tax which, if characterized as an income tax or a commuter tax, would be illegal and unauthorized under such other state's controlling or enabling legislation qualify for a credit under this section.

The credit allowable under this section shall not exceed: (i) such proportion of the income tax otherwise payable by him under this chapter as his income upon which the tax imposed by the other state was computed bears to his Virginia taxable income upon which the tax imposed by this Commonwealth was computed or (ii) the income tax otherwise payable under this chapter in the event that the income upon which the tax imposed by the other state is computed is less than the Virginia taxable income upon which the tax imposed by this Commonwealth is computed and all income derived from sources outside the Commonwealth and subject to taxation under this chapter is earned income or business income reported on federal form Schedule C from a single state contiguous to Virginia. The credit provided for by this section shall not be granted to a resident individual when the laws of another state, under which the income in question is subject to tax assessment, provide a credit to such resident individual substantially similar to that granted by subsection B of this section.

B. Whenever a nonresident individual of this Commonwealth has become liable to the state where he resides for income tax upon his Virginia taxable income for the taxable year, derived from Virginia sources and subject to taxation under this chapter, the amount of such tax payable under this chapter shall be credited with such proportion of the tax so payable by him to the state where he resides, upon proof of such payment, as his income subject to taxation under this chapter bears to his entire income upon which the tax so payable to such other state was imposed. The credit, however, shall be allowed only if the laws of such state: (i) grant a substantially similar credit to residents of Virginia subject to income tax under such laws or (ii) impose a tax

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upon the income of its residents derived from Virginia sources and exempt from taxation the income of residents of this Commonwealth. No credit shall be allowed against the amount of the tax on any income taxable under this chapter which is exempt from taxation under the laws of such other state.

C. 1. For purposes of this section, the amount of any state income tax paid by an electing small business corporation (S corporation) shall be deemed to have been paid by its individual shareholders in proportion to their ownership of the stock of such corporation.

2. For taxable years beginning on and after January 1, 2021, ~~but before January 1, 2026,~~ for purposes of this section, the amount of any state income tax paid by a pass-through entity under a law of another state substantially similar to § 58.1-390.3 shall be deemed to have been paid by its individual owners in proportion to their ownership.”

Page 648, line 11, strike “but before January 1, 2027,”.

Explanation:

(This amendment makes permanent the (1) elevated standard deduction amounts proposed in the enrolled bill of \$8,750 for single filers and \$17,500 for joint filers and the (2) pass-through entity tax election. Under the enrolled bill, both provisions would expire on January 1, 2027.

Additionally, this amendment makes the credit for pass-through entity taxes paid to other states permanent. Under current law, this would expire on January 1, 2025, and it is not extended by the enrolled bill.)

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**Amendment 202: Extend sunset on data centers retail sales and use tax exemption
Item 4-14**

Effective Date

Effective Date

Language

Language:

Page 648, after line 49, insert:

"14. 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 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

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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 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

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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~~ 2050, except as provided in subdivision 19, 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

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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. 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. 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, 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 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.

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- 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. 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 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 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.”

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Page 648, line 50, strike “14.” and insert “15.”.

Page 649, line 1, strike “15.” and insert “16.”.

Page 649, line 1, strike "and".

Page 649, line 2, after "thirteenth", insert ", and fourteenth".

Page 649, line 3, strike “16.” and insert “17.”.

Explanation:

(This amendment extends the sunset date for the sales tax exemption for data centers from 2035 to 2050.)

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**Amendment 203: Front Royal Industrial Development Authority
Item 4-14**

Effective Date

Effective Date

Language

Language:

Page 648, after line 49, insert:

"14. That § 15.2-4905 of the Code of Virginia is amended and reenacted as follows:

§ 15.2-4905. Powers of authority.

The authority shall have the following powers together with all powers incidental thereto or necessary for the performance of those hereinafter stated:

1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;
2. To adopt and use a corporate seal and to alter the same at pleasure;
3. To enter into contracts; however, any written contract of the authority shall contain provisions addressing the issue of whether attorney's fees shall be recoverable by the prevailing party in the event the contract is subject to litigation;
4. To acquire, whether by purchase, exchange, gift, lease or otherwise, and to improve, maintain, equip and furnish one or more authority facilities including all real and personal properties which the board of directors of the authority may deem necessary in connection therewith and regardless of whether any such facilities shall then be in existence;
5. To lease to others any or all of its facilities and to charge and collect rent therefor and to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; and to include in any such lease, if desired, a provision that the lessee thereof shall have options to renew such lease or to purchase any or all of the leased facilities, or that upon payment of all of the indebtedness of the authority it may lease or convey any or all of its facilities to the lessee thereof with or without consideration;
6. To sell, exchange, donate, and convey any or all of its facilities or properties whenever its board of directors shall find any such action to be in furtherance of the purposes for which the authority was organized;
7. To issue its bonds for the purpose of carrying out any of its powers including specifically, but without intending to limit any power conferred by this section or this chapter, the issuance of bonds to provide long-term financing of any pollution control facility, whether any such facility was constructed prior to or after the enactment hereof or the receipt of a commitment from an authority to undertake financing pursuant hereto, unless the major part of the proceeds of such bonds will be used to redeem any prior long-term financing of such facility other than financings pursuant to this chapter or any similar law;
8. As security for the payment of the principal of and interest on any bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities or any part or parts thereof, whether then owned or thereafter acquired, and to pledge the revenues therefrom or from any part thereof or from any loans made by the authority;

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9. To employ and pay compensation to such employees and agents, including attorneys, and real estate brokers whether engaged by the authority or otherwise, as the board of directors shall deem necessary in carrying on the business of the authority;
10. To exercise all powers expressly given the authority by the governing body of the locality which established the authority and to establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the authority's affairs;
11. To appoint an industrial advisory committee or similar committee or committees to advise the authority, consisting of such number of persons as it may deem advisable. Such persons may be compensated such amount per regular, special, or committee meeting as may be approved by the appointing authority, not to exceed \$50 per meeting day, and may be reimbursed for necessary traveling and other expenses incurred while on the business of the authority;
12. To borrow money and to accept contributions, grants and other financial assistance from the United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political subdivision, agency, or public instrumentality of the Commonwealth, for or in aid of the construction, acquisition, ownership, maintenance or repair of the authority facilities, for the payment of principal of any bond of the authority, interest thereon, or other cost incident thereto, or in order to make loans in furtherance of the purposes of this chapter of such money, contributions, grants, and other financial assistance, and to this end the authority shall have the power to comply with such conditions and to execute such agreements, trust indentures, and other legal instruments as may be necessary, convenient or desirable and to agree to such terms and conditions as may be imposed; and
13. To make loans or grants to any person, partnership, association, corporation, business, or governmental entity in furtherance of the purposes of this chapter including for the purposes of promoting economic development, provided that such loans or grants shall be made only from revenues of the authority which have not been pledged or assigned for the payment of any of the authority's bonds, and to enter into such contracts, instruments, and agreements as may be expedient to provide for such loans and any security therefor. An authority may also be permitted to forgive loans or other obligations if it is deemed to further economic development. The word "revenues" as used in this subdivision includes contributions, grants and other financial assistance, as set out in subdivision 12.

The authority shall not have power to operate any facility as a business other than as lessor and shall not have the power to operate any single or multi-family housing facilities. However, the authority shall have the power to apply for, establish, operate and maintain a foreign-trade zone in accordance with the provisions of Chapter 14 (§ 62.1-159 et seq.) of Title 62.1. Any meeting held by the board of directors at which formal action is taken shall be open to the public.

If a locality has created an industrial development authority pursuant to this chapter or any other provision of law, no other such authority, not created by such locality, shall finance facilities, except pollution control facilities, within the boundaries of such locality, unless the governing body of such locality in which the facilities are located or are proposed to be located, concurs with the inducement resolution adopted by the authority, and shows such concurrence in a duly adopted resolution. Notwithstanding the foregoing, nothing contained herein shall be deemed to invalidate or otherwise impair any existing financing by an authority or the financing of any facilities for which application has been made to an authority prior to July 1, 1981.

Notwithstanding the provisions of this section, and notwithstanding the provisions of any other law, general or special, nothing herein shall be deemed to impair the authority of the town council of the Town of Front Royal from creating its own independent industrial development authority, separate and apart for all purposes from any currently existing or future industrial development authority. A Town of Front Royal independent industrial

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development authority, created solely by the town, shall have all powers granted industrial development authorities generally as set forth in this chapter. Such industrial development authority may also include Warren County in any of its economic development projects for a period of ~~five~~ 10 years ending July 1, ~~2025~~ 2030.

Page 648, line 50, strike "14." and insert "15."

Page 649, line 1, strike "15." and insert "16."

Page 649, line 1, strike "and".

Page 649, line 2, after "thirteenth", insert ", and fourteenth".

Page 649, line 3, strike "16." and insert "17."

Explanation:

(This amendment extends from July 1, 2025, to July 1, 2030, the period of time during which the industrial development authority created by the Town of Front Royal may include Warren County in any of its economic development projects.)

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**Amendment 204: Historical horse racing revenues
Item 4-14**

Effective Date

Effective Date

Language

Language:

Page 638, line 41, strike “1.39” and insert “1.30”.

Explanation:

(This amendment modifies the percentage that may be retained by the licensee for pari-mutuel pools generated by wagering on historical horse racing.)

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**Amendment 205: Virginia Gaming Commission
Item 4-14**

Effective Date

Effective Date

Language

Language:

Page 648, after line 49, insert:

"14. That the Code of Virginia is amended by adding a title numbered 29.5, containing a subtitle numbered I, consisting of sections numbered 29.5-100 through 29.5-119:

TITLE 29.5.

GAMING AND WAGERING.

SUBTITLE I.

VIRGINIA GAMING COMMISSION.

CHAPTER 1.

GENERAL PROVISIONS.

§ 29.5-100. Definitions.

As used in this subtitle, unless the context requires a different meaning:

"Board" means the Virginia Gaming Commission Board established pursuant to § 29.5-103.

"Commission" means the Virginia Gaming Commission established pursuant to § 29.5-101.

"Commissioner" means the Commissioner of the Virginia Gaming Commission appointed pursuant § 29.5-102.

"Executive Secretary" means the Executive Secretary of Racing and Deputy Commissioner of Gaming employed pursuant to § 29.5-102.

"Racing Commission" means the Virginia Racing Commission established pursuant to § 59.1-366.

"HHR License" means a license issued by the Virginia Gaming Commission allowing a licensee to conduct Historical Horse Racing (HHR) wagering operations in the Commonwealth of Virginia.

§ 29.5-101. Virginia Gaming Commission 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 Gaming Commission, which shall include the (i) Virginia Racing Commission established pursuant to § 59.1-366, (ii) Charitable Gaming Board established pursuant to § 2.2-2455, and (iii) Virginia Gaming Commission Board established pursuant to § 29.5-103 and a Commissioner appointed pursuant to § 29.5-102 for the purpose of overseeing all gaming regulatory operations in the Commonwealth, except as otherwise provided in Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1.

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§ 29.5-102. *Commissioner appointed; salary; powers and duties.*

A. The Commission shall be under the immediate supervision and direction of a Commissioner, who shall be a person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough background investigation conducted by the Department of State Police prior to appointment. The Commissioner shall possess demonstrated experience and expertise in one or more of the following fields: law, finance, public policy, or management of a significant regulatory enterprise. The Commissioner shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members elected to each house of the General Assembly if in session when the appointment is made, and if not in session, then at its next succeeding session. The Commissioner shall receive a salary as provided in the general appropriation act.

The Commissioner shall devote his full time to the performance of his official duties and shall not be engaged in any other profession or occupation.

Before entering upon the discharge of his duties, the Commissioner shall take an oath that he will faithfully and honestly execute the duties of his office during his continuance therein and shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established pursuant to § 29.5-119.

B. The Commissioner shall have the following powers and duties:

- 1. Supervise and administer the operation of the Virginia Gaming Commission in accordance with the provisions of this subtitle and with the rules and regulations promulgated pursuant to this subtitle.*
- 2. Employ such (i) deputy commissioners; (ii) professional, technical, and clerical assistants; and (iii) other qualified personnel as may be required to carry out the functions and duties of the Commission, including (a) an Executive Secretary of Racing and Deputy Commissioner of Gaming, (b) a Deputy Commissioner of Gaming and Regulatory Oversight, (c) a Chief Operating Officer, and (d) all necessary regular and special counsel notwithstanding the provisions of Chapter 5 (§ 2.2-500 et seq.) of Title 2.2.*
- 3. Act as secretary and executive officer of the Board.*
- 4. Require bond or other surety satisfactory to the Commissioner from Commission employees with access to Commission funds, in such amount as provided in the rules and regulations of the Board. The Commissioner may also require bond from other employees, as he deems necessary.*
- 5. Confer regularly, but not less than four times each year, with the Board on the operation and oversight of gaming activities regulated by the Commission; make available for inspection by the Board, upon request, all books, records, files, and other information and documents of the Commission; and advise the Board and recommend such matters as he deems necessary and advisable to improve the operation and oversight of gaming activities regulated by the Commission.*
- 6. Suspend, revoke, or refuse to renew any license, permit, or registration issued pursuant to this subtitle or the rules and regulations adopted pursuant to this subtitle. The Virginia Gaming Commission shall issue an HHR License to a qualified applicant upon final certification from the Virginia Racing Commission that the licensee has been awarded the minimum required live racing days as established by the Racing Commission.*
- 7. Enter into any 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 all gaming activities regulated by the Commission pursuant to this subtitle or the efficient conduct of the Commissioner's duties.*

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8. *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 Commissioner shall establish the following divisions within the Commission:*

1. *A Problem Gambling Division for the purpose of coordinating with local, state, and national stakeholders to manage problem gambling research, prevention, recovery, and treatment efforts.*

2. *An External Affairs and Policy Division for the purpose of communicating with relevant stakeholders in the Commonwealth and recommending gaming policy decisions and legislative proposals to the General Assembly.*

3. *Any other division necessary to accomplish the goals of this subtitle.*

§ 29.5-103. *Virginia Gaming Commission Board established; membership; appointment; terms; compensation.*

A. *There is hereby created the Virginia Gaming Commission Board (the Board) within the Virginia Gaming Commission. The Board shall have a total membership of 11 members that shall consist of nine nonlegislative citizen members and two ex officio members. Members shall be appointed as follows: five nonlegislative citizen members, who shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members elected to each house of the General Assembly if in session when the appointment is made, and if not in session, then at its next succeeding session; two nonlegislative citizen members appointed by the Speaker of the House of Delegates from a list of at least four nominees provided by the Chairman of the House Committee on General Laws; and two nonlegislative citizen members appointed by the Senate Committee on Rules from a list of at least four nominees provided by the Chairman of the Senate Committee on General Laws and Technology. Of the nonlegislative citizen members appointed by the Governor, at least one nonlegislative citizen member shall have experience in criminal investigations and law enforcement, and at least one nonlegislative citizen member shall be a certified public accountant authorized to practice in the Commonwealth or have experience in corporate finance and securities. A current member of the Virginia Racing Commission to serve as a voting member and the Executive Secretary of Racing and Deputy Commissioner of Gaming, or his designee, shall serve ex officio with nonvoting privileges. Nonlegislative citizen members of the Board shall be individuals of good reputation, particularly as to honesty and integrity, and shall be citizens of the Commonwealth. Consideration shall be given with respect to the political affiliation and the geographic residence of the nonlegislative citizen members prior to their appointment.*

B. *Ex officio members of the Board shall serve terms coincident with their terms of office. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.*

C. *After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of five years. No nonlegislative citizen member shall serve more than two consecutive five-year terms. The remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in determining the member's eligibility for reappointment.*

D. *The Board shall elect a chairman and vice-chairman from among its membership. A majority of the members shall constitute a quorum. The meetings of the Board shall be held at the call of the chairman or whenever the majority of the members so request.*

E. *Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their*

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duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of the members shall be provided by the Virginia Gaming Commission.

F. Before entering upon the discharge of their duties, members shall take an oath that they will faithfully and honestly execute the duties of the office during their continuance therein and shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of their duties. The premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established pursuant to § 29.5-119.

G. No member shall:

1. Have any direct or indirect financial, ownership, or management interest in any gaming activities regulated by the Commission or any agency of the Commonwealth.

2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated by the Commission or any agency of the Commonwealth.

3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any gaming activity, or the provision of independent consulting services in connection with any gaming establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

§ 29.5-104. Powers and duties of the Board.

A. The Board shall have the power to (i) promulgate regulations governing the establishment and operation of charitable gaming, casino gaming, sports betting, and fantasy contests pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 and (ii) oversee the promulgation of regulations governing historical horse racing. The Virginia Racing Commission shall retain the authority to promulgate regulations for Live Horse Racing and simulcast horse racing with pari-mutuel wagering pursuant to the provisions of Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 in coordination with the Virginia Gaming Commission. Such regulations shall be promulgated 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 all forms of gaming regulated by the Board.

B. The Board shall also exercise the following powers and duties, and such others as may be provided by law:

1. Administer a voluntary exclusion program as provided in § 29.5-118. At inception, all enrollees in the program previously administered by the Virginia Lottery shall remain enrolled in this program in the same manner and time frames as currently exist.

2. 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.

3. 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.

4. Hear and decide an appeal of any (i) penalty, (ii) denial of a permit or renewal, or (iii) suspension or revocation of a permit imposed by the Commissioner pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 of Title 58.1.

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5. Promulgate regulations for the operation of a sports betting program under the direction of the Commissioner, who shall allow applicants to apply for permits to engage in sports betting operations in the Commonwealth. The Commission shall not operate a sports betting platform or a sports betting facility.

6. Partner with law-enforcement authorities, including the Office of the Attorney General and the Office of the Gaming Enforcement Coordinator in the Department of State Police, to address instances of illegal gaming activities in the Commonwealth.

C. The Board shall make policy and legislative recommendations to the Governor and General Assembly related to (i) the regulation of existing legal gaming and wagering, (ii) the expansion of new gaming types, and (iii) the eradication of illegal gaming activity in the Commonwealth.

§ 29.5-105. Executive Secretary of Racing and Deputy Commissioner of Gaming; powers and duties.

A. The Executive Secretary of Racing and Deputy Commissioner of Gaming shall have the following powers and duties:

1. Appoint stewards pursuant to § 59.1-370, with the advice of, in consultation with, and with the consent of the Virginia Racing Commission.

2. Keep a true and full record of all proceedings of the Racing Commission and preserve at the Virginia Gaming Commission's general office all books, documents, and papers of the Racing Commission.

3. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the Board or as may be conferred or imposed upon him by law.

4. Allocate funds for marketing campaigns that promote, sustain, and grow the horse racing industry at the direction and final approval of the Virginia Racing Commission.

B. Neither the Executive Secretary nor his spouse nor any member of his immediate family shall make any contributions to a candidate for office or office holder at the local or state level, or cause such a contribution to be made on his behalf.

§ 29.5-106. Deputy Commissioner of Gaming and Regulatory Oversight; powers and duties.

A. The Deputy Commissioner of Gaming and Regulatory Oversight shall have the following powers and duties:

1. Oversee regulation of all gaming activities authorized pursuant to this subtitle;

2. Manage a gaming compliance and audit division for the Commission;

3. Assume responsibility for all gaming licensing and permitting and related investigations;

4. Oversee electronic gaming operations authorized pursuant to this subtitle;

5. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the Board or as may be conferred or imposed upon him by law.

B. Neither the Deputy Commissioner of Gaming and Regulatory Oversight nor his spouse nor any member of his immediate family shall make any contributions to a candidate for office or office holder at the local or state level, or cause such a contribution to be made on his behalf.

§ 29.5-107. Chief Operating Officer; powers and duties.

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A. The Chief Operating Officer shall have the following powers and duties:

1. Oversee and manage human resources, information technology systems, facilities and security, finance and accounting, purchasing, and internal auditing departments within the Commission; and

2. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the Board or as may be conferred or imposed upon him by law.

B. Neither the Chief Operating Officer nor his spouse nor any member of his immediate family shall make any contributions to a candidate for office or office holder at the local or state level, or cause such a contribution to be made on his behalf.

§ 29.5-108. Financial interests of Board, employees, and family members prohibited.

A. No Board member or employee of the Commission shall (i) be a principal stockholder or (ii) otherwise have any financial interest, direct or indirect, in any licensee or permit holder subject to the provisions of this subtitle. No Board member and no spouse or immediate family member of a Board member shall make any contribution to a candidate for office or officeholder at the local or state level or cause such a contribution to be made on his behalf.

B. No employee of the Commission and no spouse or immediate family member of a Board member shall:

1. Have any direct or indirect financial, ownership, or management interest in any gaming activities regulated by the Commission or any agency of the Commonwealth.

2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated by the Commission or any agency of the Commonwealth.

3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any gaming activity, or the provision of independent consulting services in connection with any gaming establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

§ 29.5-109. Leases and purchases of property by the Board.

The making of leases and the purchasing of real estate by the Board under the provisions of this subtitle are exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.). The Commission shall be exempt from the provisions of § 2.2-1149 and from any rules, regulations, and guidelines of the Division of Engineering and Buildings of the Department of General Services in relation to leases of real property into which it enters.

§ 29.5-110. Exemption of Commission from personnel and procurement procedures; information systems; etc.

A. The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the Commission in the exercise of any power conferred under this subtitle, nor shall the provisions of Chapter 20.1 (§ 2.2-2005 et seq.) of Title 2.2 or Article 2 (§ 51.1-1104 et seq.) of Chapter 11 of Title 51.1 apply to the Commission in the exercise of any power conferred under this subtitle.

B. To effect its implementation, the Commission's procurement of goods, services, insurance, and construction and the disposition of surplus materials shall be exempt from:

1. State agency requirements regarding disposition of surplus materials and distribution of proceeds from the sale or recycling of surplus materials under §§ 2.2-1124 and 2.2-1125;

2. The requirement to purchase from the Department for the Blind and Vision Impaired under § 2.2-1117; and

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3. Any other state statutes, rules, regulations, or requirements relating to the procurement of goods, services, insurance, and construction, including Article 3 (§ 2.2-1109 et seq.) of Chapter 11 of Title 2.2, regarding the duties, responsibilities, and authority of the Division of Purchases and Supply of the Department of General Services, and Article 4 (§ 2.2-1129 et seq.) of Chapter 11 of Title 2.2, regarding the review and the oversight by the Division of Engineering and Buildings of the Department of General Services of contracts for the construction of the Commission's capital projects and construction-related professional services under § 2.2-1132.

C. The Commission (i) may purchase from and participate in all statewide contracts for goods and services, including information technology goods and services; (ii) shall use directly or by integration or interface the Commonwealth's electronic procurement system subject to the terms and conditions agreed upon between the Commission and the Department of General Services; and (iii) shall post on the Department of General Services' central electronic procurement website all Invitations to Bid, Requests for Proposal, sole source award notices, and emergency award notices to ensure visibility and access to the Commission's procurement opportunities on one website.

§ 29.5-111. Assistance from Department of State Police.

The Department of State Police shall assist in the conduct of investigations by the Commission.

§ 29.5-112. Criminal history records check required on certain employees; reimbursement of costs.

All persons hired by the Commission whose job duties involve access to or handling of the Commission's funds shall be subject to a criminal history records check before, and as a condition of, employment.

The Board shall develop policies regarding the employment of persons who have been convicted of a felony or a crime involving moral turpitude.

The Department of State Police shall be reimbursed by the Commission for the cost of investigations conducted pursuant to this section.

§ 29.5-113. Employees of the Commission.

Employees of the Commission shall be considered employees of the Commonwealth. Employees of the Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and related insurance and other benefits, including premium conversion and flexible benefits, available to state employees as provided by law. Employees of the Commission shall be employed on such terms and conditions as established by the Board. The Board shall develop and adopt policies and procedures that afford its employees grievance rights, ensure that employment decisions shall be based upon the merit and fitness of applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity, military status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement, and administer a paid leave program, which may include annual, personal, and sick leave or any combination thereof. All other leave benefits shall be administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1, except as otherwise provided in this section.

§ 29.5-114. Liability of Board members; suits by and against Board members.

A. No Board member may be sued civilly for doing or omitting to do any act in the performance of his duties as prescribed by this subtitle, except by the Commonwealth, and then only in the Circuit Court of the City of Richmond. Such proceedings by the Commonwealth shall be instituted and conducted by the Attorney General.

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B. The Board may, in the name of the Commonwealth, be sued in the Circuit Court of the City of Richmond to enforce any contract made by it or to recover damages for any breach thereof. The Board may defend the proceedings and may institute proceedings in any court. No such proceedings shall be taken against, or in the names of, the members of the Board.

§ 29.5-115. Counsel for members, agents, and employees of Board.

If any member, agent, or employee of the Board is arrested, indicted, or otherwise prosecuted on any charge arising out of any act committed in the discharge of his official duties, the Board chairman may employ special counsel approved by the Attorney General to defend such member, agent, or employee. The compensation for special counsel employed pursuant to this section shall, subject to the approval of the Attorney General, be paid in the same manner as other expenses incident to the administration of this subtitle are paid.

§ 29.5-116. Hearings; representation by counsel.

Any licensee, permittee, registrant, or applicant for a license, permit, or registration authorized by this subtitle shall have the right to be represented by counsel at any Board hearing for which he has received notice. The licensee, permittee, registrant, or applicant shall not be required to be represented by counsel during such hearing. Any officer or director of a corporation may examine, cross-examine, and question witnesses, present evidence on behalf of the corporation, and draw conclusions and make arguments before the Board or hearing officers without being in violation of the provisions of § 54.1-3904.

§ 29.5-117. Hearings; allowances to witnesses.

Witnesses subpoenaed to appear on behalf of the Board shall be entitled to the same allowance for expenses as witnesses for the Commonwealth in criminal cases in accordance with § 17.1-611. Such allowances shall be paid out of the fund from which other costs incurred by the Board are paid upon certification to the Comptroller.

§ 29.5-118. Voluntary exclusion program.

The Board shall adopt regulations to establish and implement a voluntary exclusion program.

The regulations shall include the following provisions:

1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion program agrees to refrain from (i) participating in charitable gaming, as defined in § 18.2-340.16; (ii) engaging in any form of casino gaming authorized under the provisions of Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1; (iii) participating in sports betting, as defined in § 58.1-4030; (iv) participating in fantasy contests, as defined in § 59.1-556; (v) participating in pari-mutuel wagering on live horse racing, historical horse racing, or simulcast horse racing authorized pursuant to the provisions of Chapter 29 (§ 59.1-364 et seq.) of Title 59.1; or (vi) playing any account-based lottery game authorized under the provisions of Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1. Any state agency, at the request of the Commission, shall assist in administering the voluntary exclusion program pursuant to the provisions of this section.

2. A person who participates in the voluntary exclusion program may choose an exclusion period of two years, five years, or lifetime.

3. 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.

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4. *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, with dissemination by the Board limited to any parties the Board deems necessary for purposes of enforcement. 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.*

5. *Permit holders, as defined in § 58.1-4030, and owners and operators of casino gaming establishments shall make all reasonable attempts as determined by the Board to cease all direct marketing efforts to a person participating in the voluntary exclusion program. The voluntary exclusion program shall not preclude permit holders or owners and operators of casino gaming establishments from seeking the payment of a debt incurred by a person before entering the voluntary exclusion program. In addition, any permit holder or owner or operator of a casino gaming establishment may share the names of individuals who self-exclude across its corporate enterprise, including sharing such information with any of its affiliates.*

§ 29.5-119. Commonwealth Gaming Operations Fund.

There is hereby created in the state treasury a special nonreverting fund to be known as the Commonwealth Gaming Operations Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf 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 to offset the Commission's costs associated with (i) the conduct of investigations required pursuant to any provision of this subtitle and (ii) the enforcement of regulations promulgated by the Virginia Gaming Commission Board pursuant to § 29.5-104. 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.

15. That there shall be established a Virginia Gaming Oversight Commission (the Oversight Commission), which shall consist of 10 members of the General Assembly. Members shall be appointed as follows: six members of the House of Delegates who are members of the House Committee on Appropriations, the House Committee for Courts of Justice, or the House Committee on General Laws to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates and four members of the Senate who are members of the Senate Committee on Finance and Appropriations, the Senate Committee for Courts of Justice, or the Senate Committee on General Laws and Technology to be appointed by the Senate Committee on Rules. The Oversight Commission shall elect a chairman and vice-chairman from among its membership; however, the chairman and vice-chairman shall not both be members of the House of Delegates, nor shall both the chairman and vice-chairman be members of the Senate. No recommendation of the Oversight Commission shall be adopted if a majority of the House members or a majority of the Senate members appointed to the Oversight Commission (i) vote against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the Oversight Commission. The Oversight Commission shall exercise the function of overseeing the implementation of the provisions of this act and shall convene regularly in the exercise of that function. The Oversight Commission shall expire (a) on July 1, 2026, or (b) upon the appointment of all members to the Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act, and the appointment of a Commissioner to the Virginia Gaming Commission pursuant to § 29.5-102 of the Code of Virginia, as

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created by this act, whichever occurs first. The provisions of this enactment shall become effective in due course.

16. That the Virginia Gaming Oversight Commission created pursuant to the fifteenth enactment of this act shall report quarterly on its progress to the chairmen of the House Committees on Appropriations and General Laws and the Senate Committees on Finance and Appropriations and General Laws and Technology.

17. That there shall be established a Legislative Transition Executive Committee (the Executive Committee), which shall consist of four members of the Virginia Gaming Oversight Commission, to be appointed as follows: two members from the House of Delegates and two members from the Senate to be appointed by the chairman of the Virginia Gaming Oversight Commission. The Executive Committee shall function as a work group of the Virginia Gaming Oversight Commission and shall meet more frequently than the full membership of the Virginia Gaming Oversight Commission for the purpose of making decisions based on the recommendations of the Virginia Gaming Oversight Commission and providing direction to the Virginia Lottery in its role as the project management organization overseeing the implementation of the provisions of this act.

18. That the Virginia Lottery shall act as the project management organization to oversee and execute the work of the Virginia Gaming Oversight Commission and the Legislative Transition Executive Committee as such bodies exercise their duties and responsibilities pursuant to the fifteenth and seventeenth enactments of this act.

19. That the initial terms of office of those persons appointed to serve as nonlegislative citizen members on the Virginia Gaming Commission Board pursuant to § 29.5-103 of the Code of Virginia, as created by this act, shall be staggered as follows: two persons shall be appointed for a term of five years; two persons shall be appointed for a term of four years; three persons shall be appointed for a term of three years; one person shall be appointed for a term of two years; and one person shall be appointed for a term of one year. Thereafter, nonlegislative citizen members of the Virginia Gaming Commission Board shall serve for terms of five years. The provisions of this enactment shall become effective in due course.

20. That the Chief Operating Officer of the Virginia Gaming Commission (the Commission) shall also serve as the Chief Transition Officer of the Commission to lead and coordinate the efforts between relevant state agencies and the Commission with respect to transitioning the oversight and regulation of charitable gaming, casino gaming, sports betting, fantasy sports, and horse racing from such relevant agencies to the Commission. The duties of the Chief Operations Officer that are related to such transition shall expire upon the successful completion of the transition process.

21. That the regulations of the (i) Department of Agriculture and Consumer Services promulgated pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia; (ii) Virginia Lottery Board promulgated pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 of the Code of Virginia; and (iii) Virginia Racing Commission pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia, shall remain in full force and effect until the Virginia Gaming Commission Board promulgates regulations pursuant to this act. Regulations with respect to clause (i) shall be administered by the Department of Agriculture and Consumer Services and regulations with respect to clauses (ii) and (iii) shall be administered by the Virginia Lottery until the Virginia Gaming Commission Board promulgates regulations pursuant to this act. The provisions of this enactment shall become effective in due course.

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22. That prior to the formal establishment of the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the Code of Virginia, as created by this act, the Virginia Lottery shall be responsible for conducting all necessary business functions assigned to the Commission pursuant to this act. Formal establishment shall include appointment of the Commissioner of the Commission pursuant to § 29.5-102 of the Code of Virginia, as created by this act, and achievement of staffing levels adequate to allow the Commission to independently accomplish such business functions as determined by the Commissioner and the Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act.

23. That in the event that ex officio membership on any board, commission, council, committee, or other body is affected by the provisions of this act, the Governor shall designate an appropriate successor officer, employee, or member of a board or agency established pursuant to the provisions of this act as a replacement.

24. That the Governor may transfer an appropriation or any portion thereof within a state agency established, abolished, or otherwise affected by the provisions of this act, or from one such agency to another, to support the changes in organization or responsibility resulting from or required by the provisions of this act.

25. That any accrued sick leave or annual leave of any employee of the Department of Agriculture and Consumer Services, the Virginia Lottery, or the Virginia Racing Commission who transfers to the Virginia Gaming Commission in accordance with the provisions of this act shall transfer with the employee.

26. That the Virginia Gaming Commission Board (the Board) shall promulgate regulations to implement the provisions of this act by January 1, 2026; however the Board shall present such regulations to the Virginia Gaming Oversight Commission for review prior to adoption. With the exception of § 2.2-4031 of the Code of Virginia, neither the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia) nor the public participation guidelines adopted pursuant thereto shall apply to the initial adoption of any regulations pursuant to this act. Prior to adopting any regulations pursuant to this act, the Board shall publish in the Virginia Register of Regulations and post on the Virginia Regulatory Town Hall an action that shall provide (i) a 60-day comment period; (ii) a summary of the proposed regulations; (iii) the text of the proposed regulations; (iv) the name, address, email address, and telephone number of the agency contact person responsible for receiving public comments; and (v) the statutory authority to promulgate the regulation. The legislative review provisions of subsections A and B of § 2.2-4014 of the Code of Virginia shall apply to the promulgation or final adoption process for regulations adopted pursuant to this act. The Board shall consider and keep on file all public comments received for any regulations adopted pursuant to this act. The provisions of this enactment shall become effective in due course.

27. That employees of the Virginia Gaming Commission (the Commission) shall be considered employees of the Commonwealth. Employees of the Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 of the Code of Virginia and participation in all health and related insurance and other benefits, including premium conversion and flexible benefits, available to state employees as provided by law. Employees of the Commission shall be employed on such terms and conditions as established by the Virginia Gaming Commission Board (the Board). The Board shall develop and adopt policies and procedures that afford its employees grievance rights, ensure that employment decisions are based upon the merit and fitness of applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status, sexual

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orientation, gender identity, or disability. Notwithstanding any other provision of law, the Board shall develop, implement, and administer a paid leave program, which may include annual, personal, and sick leave or any combination thereof. All other leave benefits shall be administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1 of the Code of Virginia, except as otherwise provided in this enactment.

28. That notwithstanding any other provision of law, the Virginia Gaming Commission (the Commission) shall give preference in hiring to employees of the Department of Agriculture and Consumer Services, the Virginia Lottery, and the Virginia Racing Commission (relevant state agencies). The Commission shall issue a written notice to all persons whose employment at such relevant state agencies will be transferred to the Commission. The date upon which such written notice is issued shall be referred to herein as the "Option Date." In order to facilitate an orderly and efficient transition and ensure the continuation of operations during the transition from the relevant state agencies to the Commission, the Commission shall have discretion, subject to the time limitations contained herein, to determine the date upon which any employee's employment with the relevant state agencies will end or be transferred to the Commission. This date shall be stated in the written notice and shall be referred to herein as the "Transition Date." No Transition Date shall occur prior to July 1, 2025, without the mutual agreement of the employee and the Commission. No Transition Date shall be set beyond July 1, 2026. Each person whose employment will be transferred to the Commission may, by written request made within 120 days of the Option Date, elect not to become employed by the Commission. Any employee of the relevant state agencies who (i) is not offered the opportunity to transfer to employment by the Commission or (ii) is not offered a position with the Commission for which the employee is qualified or is offered a position that requires relocation or a reduction in salary shall be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act (§ 2.2-3200 et seq. of the Code of Virginia). Any employee who accepts employment with the Commission shall not be considered to be involuntarily separated from state employment and shall not be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act. Any eligibility for such severance benefits shall be contingent on the continued employment through an employee's Transition Date.

Notwithstanding any other provision of law to the contrary, any person whose employment is transferred to the Commission as a result of this act and who is a member of any plan for providing health insurance coverage pursuant to Chapter 28 (§ 2.2-2800 et seq.) of Title 2.2 of the Code of Virginia shall continue to be a member of such health insurance plan under the same terms and conditions as if no transfer had occurred.

Notwithstanding any other provision of law to the contrary, any person whose employment is transferred to the Commission as a result of this act and who is a member of the Virginia Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 of the Code of Virginia shall continue to be a member of the Virginia Retirement System or other such authorized retirement plan under the same terms and conditions as if no transfer had occurred.

Notwithstanding any other provision of law, any person whose employment is transferred to the Commission as a result of this act and who was subjected to a criminal history background check as a condition of employment with any of the relevant state agencies shall not be subject to any provisions of this act regarding a criminal history background check, unless the Commission deems otherwise.

29. That the Virginia Gaming Commission (the Commission) shall conduct a review of all technology systems inherited from the Department of Agriculture and Consumer Services, the Virginia Lottery, and the Virginia Racing Commission for the purpose of increasing efficiency in core functions through the

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reduction of manual processes and standardizing similar processes, such as licensing, auditing, and case management, across the different types of gaming that are overseen and regulated by the Commission.

30. Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation is \$0 for periods of imprisonment in state adult correctional facilities and cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice."

Page 648, line 50, strike "14." and insert "31."

Page 649, line 1, strike "15." and insert "32."

Page 649, line 1, strike "and".

Page 649, line 2, after "thirteenth", insert ", fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, nineteenth, twentieth, twenty-first, twenty-second, twenty-third, twenty-fourth, twenty-fifth, twenty-sixth, twenty-seventh, twenty-eighth, twenty-ninth, and thirtieth".

Page 649, line 3, strike "16." and insert "33."

Explanation:

(This amendment amends the Code of Virginia to establish the Virginia Gaming Commission as an independent agency of the Commonwealth.)
