



Report of the Subcommittee on  
Economic Development and  
Natural Resources

Senate Finance &  
Appropriations Committee  
Virginia General Assembly

February 18, 2024



SENATE OF VIRGINIA

Senate Finance & Appropriations Committee

**2024 Report of the Economic Development and  
Natural Resources Subcommittee  
The Honorable David W. Marsden, Chair  
February 18, 2024**

Madam Chair and Members of the Committee:

Your Subcommittee has carefully reviewed the Governor's introduced budget for the Secretariats of Agriculture and Forestry, Commerce and Trade, Labor, and Natural Resources. We have thoughtfully considered those proposals, along with those offered by our Senate colleagues.

To ensure that we continue to progress towards connecting all Virginians with broadband, we propose \$29.7 million over the biennium to partially restore funding for the Virginia Telecommunication Initiative. This will position Virginia to meet our goal of affordable, high-speed internet that is accessible to all citizens.

Also, in Commerce and Trade, the Subcommittee recommends fully funding existing economic development incentive commitments and providing support for economically disadvantaged communities through multiple community development investments totaling \$11.0 million.

Our recommendations include several items to strengthen Virginia's top industry, agriculture and forestry. We are proposing an additional \$450,000 to continue the Dairy Producer Price Margin Coverage Premium Program, so that producers are protected during times of market fluctuations.

We are also endorsing budget actions to implement legislation that will consolidate land preservation programs within the Secretariat of Agriculture and Forestry and provide \$5.0 million for the Forest Sustainability Fund to protect working lands.

In keeping with our desire to steward our environment and natural resources, the Subcommittee endorses significant investments of over \$138.0 million in the Water Quality Improvement Fund for agricultural best management practices and \$155.0 million for flood resilience, and we propose funding for a number of new water quality and supply initiatives, including PFAS identification and monitoring, wetlands mitigation banking, and remediation of harmful algal blooms.

As Virginia prepares for the 250<sup>th</sup> celebration of the American Revolution, the Subcommittee proposes operating support for several museums throughout the Commonwealth and the preservation of significant historical sites.

This completes the report of the Economic Development and Natural Resources Subcommittee. I hope it will be the pleasure of the Committee to adopt our amendments.

Respectfully Submitted,

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The Honorable David W. Marsden, Chairman

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The Honorable Barbara A. Favola, Vice-Chair

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The Honorable Richard H. Stuart

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The Honorable Bryce E. Reeves

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The Honorable Scott A. Surovell

**Report of the Subcommittee on Economic Development and Natural Resources  
(Recommended Amendments to SB 29 and SB 30, As Introduced)**

Amendment		SB29	SB 30		
		FY2024	FY 2025	FY 2026	Biennium
<b>1</b>	<b>AGRICULTURE AND FORESTRY</b>				
<b>2</b>	<b>Department of Agriculture and Consumer Services</b>				
<b>3</b>	Provide support for Buffalo Food Pantry		\$ 500,000	\$ 500,000	\$ 1,000,000
<b>4</b>	Transfer Office of Farmland Preservation to the Department of Forestry (SB 616)		\$ (537,500)	\$ (537,500)	\$ (1,075,000)
<b>5</b>	Redirect funding provided for agricultural technology projects		\$ (2,000,000)		\$ (2,000,000)
<b>6</b>	Dairy Margin Coverage Premium Assistance Fund		\$ 100,000	\$ 350,000	\$ 450,000
<b>7</b>	Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program		\$ -	\$ 250,000	\$ 250,000
<b>8</b>	Cannabis and Hemp Enforcement (SB 448)		\$ 273,243	\$ 273,243	\$ 546,486
<b>9</b>	<b>Department of Forestry</b>				
<b>10</b>	Forest Sustainability Fund		\$ 5,000,000		\$ 5,000,000
<b>11</b>	Policy Analyst Position		\$ 175,000	\$ 175,000	\$ 350,000
<b>12</b>	Reduce Support for Removal of Derelict Fire Towers		\$ (260,000)	\$ (100,000)	\$ (360,000)
<b>13</b>	Transfer the Office of Farmland Preservation to Department of Forestry		\$ 537,500	\$ 537,500	\$ 1,075,000
<b>14</b>	Virginia Natural Resources Leadership Institute		\$ 50,000	\$ 50,000	\$ 100,000
<b>15</b>	<b>AGRICULTURE AND FORESTRY TOTAL</b>		<b>\$ 3,838,243</b>	<b>\$ 1,498,243</b>	<b>\$ 5,336,486</b>
<b>16</b>	<b>COMMERCE AND TRADE</b>				
<b>17</b>	<b>Economic Development Incentive Payments</b>				
<b>18</b>	Redirect Additional Appropriation for Business Ready Sites Program		\$ (95,500,000)		\$ (95,500,000)
<b>19</b>	Redirect New Funding for Business Ready Site Acquisition Program		\$ (24,000,000)		\$ (24,000,000)
<b>20</b>	Revise Virginia Business Ready Site Eligibility Requirements			<i>Language</i>	
<b>21</b>	<i>Various language amendments</i>	<i>Language</i>			
<b>22</b>	<b>Department of Housing and Community Development</b>				
<b>23</b>	Provide Capacity Funding for Continuum of Care Agencies		\$ 2,700,000	\$ 2,700,000	\$ 5,400,000
<b>24</b>	Partial Restoration of VATI Funding		\$ 10,000,000	\$ 19,725,000	\$ 29,725,000
<b>25</b>	Rehabilitation of Derelict Structures Fund			\$ 4,000,000	\$ 4,000,000
<b>26</b>	Community Development Financial Institutions Fund		\$ 4,000,000		\$ 4,000,000
<b>27</b>	Fund Virginia Health Wagon Providing Remote Area Telehealth		\$ 125,000	\$ 125,000	\$ 250,000
<b>28</b>	Increase Funding for Center for Rural Virginia		\$ 50,000	\$ 50,000	\$ 100,000
<b>29</b>	Redirect Funding for Early Learning Capital Incentives		\$ (25,000,000)		\$ (25,000,000)
<b>30</b>	Provide Funding for the Tonsler Community Engagement Initiatives		\$ 300,000		\$ 300,000
<b>31</b>	Study of Natural Gas Pipeline Expansion in Tazewell County		\$ 250,000		\$ 250,000
<b>32</b>	Restore Enterprise Zone Grant Funding		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000

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(Recommended Amendments to SB 29 and SB 30, As Introduced)**

	Amendment	SB29	SB 30		
		FY2024	FY 2025	FY 2026	Biennium
33	Provide Position for Local Fiscal Distress (SB 645)		\$ 150,000	\$ 150,000	\$ 300,000
34	<b>Department of Energy</b>				
35	Redirect Power Innovation Fund Additional Deposit		\$ (6,000,000)		\$ (6,000,000)
36	<b>Fort Monroe Authority</b>				
37	Fund Utility Commodity Cost Increases		\$ 358,053	\$ 358,053	\$ 716,106
38	<b>Virginia Economic Development Partnership</b>				
39	Redirect Funding Provided for Innovative Framework		(1,000,000)	\$ (1,000,000)	\$ (2,000,000)
40	Adjust New Funding for Virginia Office of Education Economics		\$ (750,000)	\$ (750,000)	\$ (1,500,000)
41	Reduce Business Ready Sites Administration Increase		\$ (250,000)	\$ (250,000)	\$ (500,000)
42	Advanced Manufacturing Talent Investment Program	Language			
43	<b>Virginia Tourism Authority</b>				
44	SWVA Heart of Appalachia		\$ 150,000	\$ 150,000	\$ 300,000
45	Southwest Regional Recreation Authority		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
46	<b>Virginia Innovative Partnership Authority</b>				
47	Return Support for Biotechnology to Base Funding		\$ (82,000,000)	\$ 18,000,000	\$ (64,000,000)
48	<b>COMMERCE AND TRADE TOTAL</b>		<b>\$ (214,416,947)</b>	<b>\$ 45,258,053</b>	<b>\$ (169,158,894)</b>
49	<b>LABOR</b>				
50	Redirect New Funding for Additional Position		\$ (130,000)	\$ (130,000)	\$ (260,000)
51	<b>Department of Labor and Industry</b>				
52	Reverse Savings from Field Office Consolidations		\$ 41,842	\$ 41,842	\$ 83,684
53	<b>Department of Workforce Development and Advancement</b>				
54	Redirect Funding for Healthcare Workforce Training System		\$ (1,000,000)	\$ -	\$ (1,000,000)
55	Redirect Funding for New Registered Apprenticeship Grant Program		\$ (2,000,000)	\$ (2,000,000)	\$ (4,000,000)
56	<b>Virginia Employment Commission</b>				
57	Unemployment Compensation Cont. of Benefits & Overpayment Admin. (SB 536)		\$ 357,167	\$ 357,167	\$ 714,334
58	Paid Family and Medical Leave (SB 373) (Line of Credit)			Language	
59	<b>LABOR TOTAL</b>		<b>\$ (2,730,991)</b>	<b>\$ (1,730,991)</b>	<b>\$ (4,461,982)</b>
60	<b>NATURAL RESOURCES</b>				
61	<b>Department of Conservation and Recreation</b>				
62	Remove Language to Cap Virginia Water Quality Improvement Fund Reserve		\$ -	Language	
63	Technical Adjustment for WQIF Reserve Deposit		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
64	Adjust funding for Coastal Storm Risk Management Project		\$ (48,850,000)		\$ (48,850,000)

**Report of the Subcommittee on Economic Development and Natural Resources  
(Recommended Amendments to SB 29 and SB 30, As Introduced)**

	Amendment	SB29	SB 30		
		FY2024	FY 2025	FY 2026	Biennium
65	Adjust funding for Soil and Water Conservation Districts Support Services		\$ (45,000)	\$ (45,000)	\$ (90,000)
66	Cost Share Program for Livestock and Poultry Waste Facilities		\$ -	<i>Language</i>	\$ -
67	Fund Priority Agricultural Best Management Practices Support Positions		\$ 460,000	\$ 460,000	\$ 920,000
68	Cyanobacteria mitigation and remediation efforts at Lake Anna		\$ 250,000		\$ 250,000
69	Redirect Funding for Study of Oak Hill		\$ (150,000)		\$ (150,000)
70	City of Falls Church Flood Resilience	<i>Language</i>			
71	<b>Department of Environmental Quality</b>				
72	Fund PFAS Identification and Monitoring (SB243)		\$ 380,160	\$ 380,160	\$ 760,320
73	Increase Groundwater Technical Capacity (SJ 25)		\$ 100,000	\$ 100,000	\$ 200,000
74	Fund Harmful Algal Blooms Study for Smith Mountain Lake		\$ 250,000		\$ 250,000
75	Feasibility and Cost Analysis of SWIFT Model Expansion		\$ 400,000		\$ 400,000
76	Wastewater Treatment Upgrades for the Town of Cleveland		\$ 91,506		\$ 91,506
77	Redirect Funding Provided for Enhanced Chesapeake Bay Monitoring		\$ (4,250,000)	\$ (4,000,000)	\$ (8,250,000)
78	Provide Support for Wetlands Mitigation Trading Platform		\$ 750,000	\$ 500,000	\$ 1,250,000
79	Redirect Partial Funding for Landfill Remediation		\$ (17,000,000)		\$ (17,000,000)
80	Clarifying Language for ARPA Funded Wastewater Projects	<i>Language</i>			
81	<b>Department of Historic Resources</b>				
82	Redirect Funding for Capital Grant Program		\$ (35,000,000)		\$ (35,000,000)
83	Poplar Forest Stabilization and Restoration		\$ 884,800		\$ 884,800
84	Stratford Hall Preservation and Expanded Interpretation		\$ 500,000		\$ 500,000
85	Menokin Preservation and Restoration		\$ 500,000		\$ 500,000
86	Support Virginia Museum of Transportation		\$ 250,000		\$ 250,000
87	James Solomon Russell Saint Paul's College Museum and Archives		\$ 100,000		\$ 100,000
88	Support Preservation America Jamestown Rediscovery Foundation		\$ 1,500,000		\$ 1,500,000
89	<b>Marine Resources Commission</b>				
90	Restore Oyster Replenishment Funding		\$ 500,000	\$ 500,000	\$ 1,000,000
91	<b>NATURAL RESOURCES TOTAL</b>		<b>\$ (97,378,534)</b>	<b>\$ (1,104,840)</b>	<b>\$ (98,483,374)</b>
92	<i>Various language amendments</i>	<i>Language</i>		<i>Language</i>	
93	<b>SUBCOMMITTEE TOTAL</b>		<b>\$ (310,688,229)</b>	<b>\$ 43,920,465</b>	<b>\$ (266,767,764)</b>

Item 96 #1s

<b>Agriculture and Forestry</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Forestry	\$5,000,000	\$0 GF

**Language:**

Page 90, line 31, strike "\$44,214,578" and insert "\$49,214,578".

Page 91, after line 47, insert:

"M. Out of the amounts of this item, \$5,000,000 the first year from the general fund shall be provided for the Forest Sustainability Fund established pursuant to § 58.1-3242.1, Code of Virginia."

**Explanation:**

(This amendment provides \$5.0 million GF the first year to the Forest Sustainability Fund authorized in § 58.1- 3242.1.)

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Item 102 #1s

**Commerce and Trade**

**FY24-25**

**FY25-26**

Department of Housing and  
Community Development

\$2,700,000

\$2,700,000

GF

**Language:**

Page 97, line 38, strike "\$297,250,885" and insert "\$299,950,885".

Page 97, line 38, strike "\$297,250,885" and insert "\$299,950,885".

Page 99, after line 39, insert:

“M. Out of this appropriation, \$2,700,000 the first year and \$2,700,000 the second year from the general fund shall be provided to support the capacity of the Continuum of Care lead agencies in Virginia, including those that comprise the Balance of State Continuum of Care, as they serve persons at risk of or experiencing homelessness in their regions. The department shall provide these funds as grants in a formula determined by the department with input from stakeholders. Any balances for the purposes specified in this paragraph which are unexpended on June 30, 2025, and June 30, 2026, shall not revert to the general fund but shall be carried forward and reappropriated.”

**Explanation:**

(This amendment provides \$2.7 million GF each year to Continuum of Care lead agencies to expand their organizational capacity to serve the growing population of Virginians at risk of or experiencing homelessness. This investment will translate to nearly \$100,000 for each of the 27 Continuum of Care lead agencies in the Commonwealth, and provide for programmatic and operational capacity to leverage local, federal, and private resources.)

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Item 103 #3s

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

**Language:**

Page 99, line 40, strike "\$127,802,325" and insert "\$131,802,325".

Page 104, line 49, strike the first "\$150,000" and insert "\$4,150,000".

**Explanation:**

(This amendment provides \$4.0 million GF the first year to capitalize the Community Development Financial Institutions Fund to support community deployment and tailored resources, including financing for housing development and rehabilitation projects, and community revitalization real estate projects in the Commonwealth.)

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Item 359 #6s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>
Department of Conservation and Recreation	\$250,000	\$0 GF

**Language:**

Page 413, line 48, strike "\$541,484,912" and insert "\$541,734,912".

Page 417, after line 32, insert:

"U. Out of the appropriation in this item, \$250,000 the first year from the general fund is provided to support cyanobacteria mitigation and remediation efforts at Lake Anna."

**Explanation:**

(This amendment provides \$250,000 from the general fund the first year to conduct cyanobacteria mitigation and remediation activities at Lake Anna.)

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Item 373 #1s

<b>Natural and Historic Resources</b>	<b>FY24-25</b>	<b>FY25-26</b>	
Marine Resources Commission	\$500,000	\$500,000	GF

**Language:**

Page 430, line 51, strike "\$28,766,720" and insert "\$29,266,720".

Page 430, line 51, strike "\$25,766,720" and insert "\$26,266,720".

Page 431, line 31, strike "\$3,500,000 the first year and \$3,500,000" and insert "\$4,000,000 the first year and \$4,000,000".

Page 431, after line 38, insert:

"E.3. Out of the amounts provided to support oyster replenishment and oyster restoration activities, the Commission may expend up to \$150,000 from the general fund the first year to support the Potomac River Fisheries Commission implementation of a oyster revitalization project in the Potomac River. The funding is contingent on an equal amount of support being provided for the project by the state of Maryland. If the matching funds are not provided, the Commission may use the funding for other oyster replenishment projects."

**Explanation:**

(This amendment restores \$500,000 in each year from the general fund for oyster restoration that was reduced in the introduced budget bill. The amendment authorizes the Marine Resources Commission to use a portion of the funding to support a Potomac River Fisheries Commission project, contingent on matching support from Maryland.)

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