

February 2, 2025

REPORT OF THE HOUSE
APPROPRIATIONS
SUBCOMMITTEE ON

**Commerce,
Agriculture & Natural
Resources**

House Bill 1600



VIRGINIA HOUSE
APPROPRIATIONS
COMMITTEE

CHAIRMAN LUKE E. TORIAN

REPORT OF THE SUBCOMMITTEE

Commerce, Agriculture, and Natural Resources

Mr. Chairman and Members of the Committee:

The Report of the Subcommittee on Commerce, Agriculture, and Natural Resources reflects investments that prioritize Virginia's working families with proposals designed to: (1) help alleviate the pressure of Virginia's housing crisis, (2) offer families access to paid family and medical leave, (3) increase wages, and (4) protect Virginia's natural resources. I will briefly highlight some of the key recommendations from our report for you and the Committee.

For many families in Virginia, homeownership continues to be out of reach. Virginia's demand for affordable housing continues to outpace our supply of affordable homes and apartments for rent. That's why our Subcommittee report includes \$15.0 million to provide grants up to \$10,000 for first time homebuyers earning less than \$100,000 a year to offset the costs of purchasing a home.

Our Subcommittee report also maintains our commitment to low-interest loans through the Virginia Housing Trust Fund, funded at \$87.5 million a year and extends and expands the Virginia Housing Opportunity Tax Credit. These two programs are designed to bring down the cost of construction, thereby increasing supply at more affordable prices.

In addition, our Subcommittee report recognizes that without the involvement of localities, the affordable housing crisis cannot be solved. Many localities are stepping up to make investments in affordable housing, which is why we have included \$14.0 million to provide a one-time investment of resources in local housing trust funds and projects.

On a related front, wages have not kept pace with inflation, leaving many Virginia families not able to afford necessities. This is why our Subcommittee report includes funding to support increasing Virginia's minimum wage to \$13.50 an hour starting January 1, 2026, and \$15.00 an hour starting January 1, 2027.

We also recognize that many working families face challenges when they need time off from work to care for a loved one when they are sick or have a new child. Our Subcommittee report includes a \$75.0 million treasury loan for the state to establish a program for paid family and medical leave, making sure workers can take time off from work without forgoing a paycheck.

In the area of Natural Resources, the Subcommittee report contains numerous key investments to continue meeting the Commonwealth's obligations under the Chesapeake Bay Agreement.

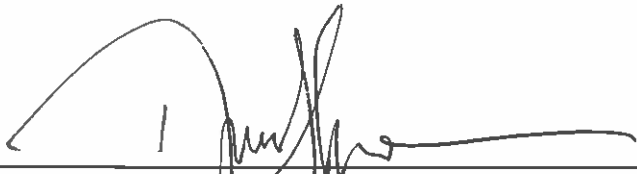
These investments include an additional \$26 million to support agricultural best management practices, a total of \$48 million in new funding for wastewater treatment plant upgrades, and a \$50 million deposit in the Stormwater Local Assistance Fund.

When combined with our substantial investments in this area in 2024, the Subcommittee report ensures the Commonwealth will meet

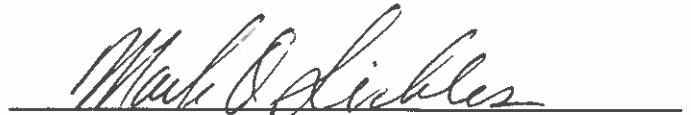
the full funding needs assessments for our Chesapeake Bay restoration goals in the current biennium.

Our Subcommittee report is included in the materials before the Committee, and at this time, I will ask staff to review the report in greater detail with the members. I hope it will be the pleasure of the Committee to adopt the report.

Respectfully Submitted by the House Appropriations Subcommittee on
Commerce, Agriculture, & Natural Resources



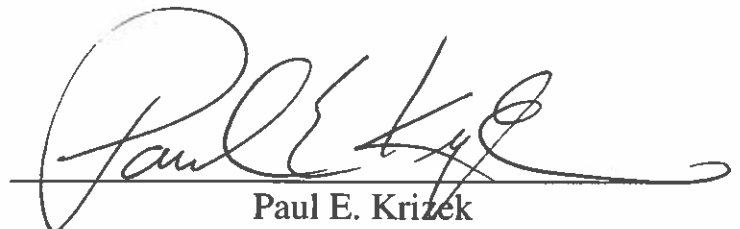
David L. Bulova, Chair



Mark D. Sickles



Betsy B. Carr



Paul E. Krizek



Rodney T. Willett



Robert S. Bloxom, Jr.

Daniel W. Marshall, III



Anne Ferrell Tata

2024-26 BIENNIAL TOTAL			
HB 1600 Amendments	General Fund	Nongeneral Fund	FTEs
ADMINISTRATION			
Department of General Services			
HB 1922: SWaM Procurement		\$250,000	
Virginia Information Technologies Agency			
HB 1922: SWaM Procurement		\$100,000	1
COMMERCE AND TRADE			
Economic Development Incentive Payments			
Increase Funding for Virginia Motion Picture Opportunity Fund	\$1,000,000		
Reduce Cost of Insulin	\$4,500,000		
Virginia Business Ready Sites	Language (\$50M)		
Micron Payment Moved to FY 2027	(\$1,400,000)		
Retrofit Lab Space in Roanoke for Life Sciences	\$5,000,000		
Move Amazon HQ2 Deposit to the First Year	Language		
Department of Housing and Community Development			
Restore Down-Payment Assistance Pilot Program	Language (\$5M)		
Restore MHC Loan Acquisition Fund Pilot Program	Language (\$5M)		
HB 2149: Zoning for Housing Product Act	\$1,500,000		
Balance of State Continuum of Care Communities	\$1,350,000		
Western Tidewater Homeless Shelter	\$500,000		
Housing Counseling Program	\$25,000		
Virginia Eviction Prevention and Diversion Program	\$500,000		
Support for Local Housing Trust Funds and Projects	\$14,000,000		
Residential Assistance for Hurricane Helene Victims	Language (\$25M)		
Personal Property Tax Relief for Low-Income Homeowners	Language		
First-Time Homebuyer Grant Program	\$15,000,000		
HB 2048: Use of Virginia Housing Trust Fund Dollars	Language		
Redirect Daycare Facilities Grant Program	(\$15,000,000)		
VATI Base Budget	Language		
Industrial Revitalization Fund	\$2,600,000		
Urban Public-Private Partnership Redevelopment Fund	\$4,200,000		
Community Development Upgrades	\$6,000,000		
Community Development - Riverwalk Project	\$1,200,000		
Site Readiness Improvements in Pulaski County	\$15,000,000		
Department of Energy			
Positions to Administer Federal Funds			5
HB 1791: Rural EV Charging Network	\$2,000,000		
HB 2113: Solar Grant Program for Localities	\$2,000,000		
Department of Small Business and Supplier Diversity			
Capital Access Program	\$250,000		
HB 1922: SWaM Procurement	\$187,020		2
Virginia Economic Development Partnership			
Revert Workforce Money for Blue Star Manufacturing Project	Language		
Virginia Internship Program	\$6,000,000		
Virginia Tourism Authority			
Sports Tourism	\$3,000,000		
Schooner Virginia Education Programming	\$250,000		
Tourism Marketing Campaign	\$2,500,000		
Blue Highway Festival	\$50,000		
Virginia Innovation Partnership Authority			
Higher Education Life Science Investments	Language		
Redirect New Life Sciences Funding	(\$35,000,000)		
Remove CHRB Collaboration Language	Language		
LABOR			
Department of Labor and Industry			
Additional Funding for Labor Law Activities	\$2,000,000		3
Department of Workforce Development and Advancement			
Redirect Virginia Has Jobs Campaign	(\$2,050,000)		
Hampton Roads Workforce Council Healthcare Program	\$500,000		
Redirect Ongoing Agency Administrative Support	(\$350,000)		
Virginia Employment Commission			
Paid Family and Medical Leave	Treasury Loan (\$75M)		
UI Wage Enhancement Data	Language		

HB 1600 Amendments	2024-26 BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTEs

CENTRAL ACCOUNTS

HB 1928: Minimum Wage	\$2,020,020	\$1,983,471	
HB 2764: Collective Bargaining	\$3,330,565	\$9,437,500	
HB 2509: Clean Energy Innovation Board	Language		

HB 1600 Amendments	2024-26 BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTEs
AGRICULTURE AND FORESTRY			
Department of Agriculture and Consumer Services			
HB 2303 - Large Animal Veterinarian Grant Program	450,000		0.00
Remove Proposed Premium Insurance Program	(250,000)		0.00
Rappahannock Education Farm	25,000		0.00
Increase Support for Blue Catfish Grant Program	250,000		0.00
NATURAL AND HISTORIC RESOURCES			
Secretary of Natural and Historic Resources			
WQIF Administration Workgroup	Language		0.00
Department of Conservation and Recreation			
Lake Anna Cyanobacteria Mitigation and Remediation	500,000		0.00
City of Norfolk Sand Replenishment	450,000		0.00
Virginia Conservation Assistance Program	500,000		0.00
Environmental Literacy	750,000		0.00
Quantico Creek Flood Mitigation	1,500,000		0.00
Lake Anna Hydrilla Mitigation and Buoy Placement	33,000		0.00
Falkland State Conservation Area Master Plan and Syndor Lodge Restoration Assessment	350,000		0.00
HB 2306 - New State Park in Loudoun County		1,250,000	5.00
Department of Environmental Quality			
Remove Proposed Delay in Polystyrene Container Prohibition	Language		0.00
Harmful Algal Bloom Monitoring in Shenandoah River	500,000		0.00
Technical - Remove Obsolete Reporting Language	Language		0.00
Stormwater Local Assistance Fund	50,000,000		0.00
City of Richmond January 2025 Water Crisis Response	652,113		0.00
ENRC Construction Deadline Adjustments	Language		0.00
Portsmouth - Sanitary Sewer Pump Rehabilitation	4,250,000		0.00
Department of Wildlife Resources			
Game Protection Fund Transfer - Invasive Species	Language		0.00
Department of Historic Resources			
Douglass Cemetery	500,000		0.00
Increase BIPOC Fund Deposit	2,000,000		0.00
Titusdown Historic District Designation Surveys	100,000		0.00
Hume School	50,000		0.00
Virginia African American Cultural Center	1,500,000		0.00
HB 1823 - Virginia Commission on Lynching Sites Memorialization	76,008		0.00
DHR Operating Support	750,000		2.00

PART 3

HB 1600 Amendments	2024-26 BIENNIAL TOTAL		FTEs
	General Fund	Nongeneral Fund	
Transfers			
Game Protection Fund Transfer - Invasive Species	Language		0.00
PART 4			
Effective Date			
Distribution of Local HHR Revenues	Language		0.00

Committee Approved Amendments to House Bill 1600, as Introduced

Item 70 #1h

Administration	FY24-25	FY25-26	
Department of General Services	\$0	\$250,000	NGF

Language:

Page 75, line 1, strike "\$67,972,051" and insert "\$68,222,051".

Page 75, after line 34, insert:

"F. Out of this appropriation, \$250,000 the second year from the nongeneral fund is provided to the department to effectuate the provisions of House Bill 1922 of the 2025 General Assembly Session."

Explanation:

(This amendment provide \$250,000 for the Department of General Services to update procurement data in eVA, the state's electronic procurement system, that it receives from the Department of Small Business and Supplier Diversity.)

Item 81 #2h

Administration	FY24-25	FY25-26	
Virginia Information Technologies Agency	\$0 0.00	\$100,000 1.00	NGF FTE

Language:

Page 88, line 15, strike "\$62,288,610" and insert "\$62,388,610".

Page 90, after line 21, insert:

"H. Out of this appropriation, \$100,000 the second year from the nongeneral fund is provided to effectuate the provisions of House Bill 1922 of the 2025 General Assembly Session."

Explanation:

(This amendment provides \$100,000 and one position for the Virginia Technologies Agency to review and maintain accurate reporting in eVa, the state's procurement system.)

Item 86 #1h

Agriculture and Forestry	FY24-25	FY25-26	
Department of Agriculture and Consumer Services	\$0	\$450,000	GF

Language:

Committee Approved Amendments to House Bill 1600, as Introduced

Page 94, line 35, strike "\$27,685,267" and insert "\$28,135,267".

Page 96, after line 24, insert:

"M. Out of the amounts in this item, \$450,000 the second year from the general fund is provided for the Large Animal Veterinary Grant Program."

Explanation:

(This amendment provides \$450,000 from the general fund in fiscal year 2026 for the Large Animal Veterinary Grant Program pursuant to House Bill 2303. A companion amendment to the Department of Health removes funding a language proposed in House Bill 1600 as introduced to establish Large Animal Veterinary Loan Repayment Program.)

Item 86 #2h

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

Language:

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

Page 96, strike lines 20 through 24.

Explanation:

(This amendment removes \$250,000 from the general fund in fiscal year 2026 provided for a proposed Pasture, Rangeland, and Forage Insurance Premium Assistance Fund.)

Item 86 #3h

Agriculture and Forestry	FY24-25	FY25-26	
Department of Agriculture and Consumer Services	\$0	\$25,000	GF

Language:

Page 94, line 35, strike "\$27,685,267" and insert "\$27,710,267".

Page 96, after line 24, insert:

"M. Out of the amounts in this item, \$25,000 the second year from the general fund is provided to the County of Stafford to support the Rappahannock Education Farm."

Explanation:

(This amendment provides \$25,000 from the general fund in fiscal year 2026 to support the Rappahannock Education Farm in Stafford County.)

Committee Approved Amendments to House Bill 1600, as Introduced

Item 87 #1h

Agriculture and Forestry	FY24-25	FY25-26	
Department of Agriculture and Consumer Services	\$0	\$250,000	GF

Language:

Page 96, line 25, strike "\$2,452,698" and insert "\$2,702,698".

Page 96, line 30, strike "\$1,500,000" and insert "\$1,750,000".

Page 96, line 33, strike "\$250,000" and insert "\$500,000".

Explanation:

(This amendment provides in additional \$250,000 from the general fund in fiscal year 2026 for the Blue Catfish Processing, Flash Freezing, and Infrastructure Grant Program.)

Item 101 #1h

Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$1,000,000	\$0	GF

Language:

Page 104, line 21, strike "\$100,022,331" and insert "\$101,022,331".

Page 105, line 27, strike "\$5,000,000" and insert "\$6,000,000".

Explanation:

(This amendment provides an additional \$1.0 million for the Virginia Motion Picture Opportunity Fund. These additional resources will allow the Virginia Film Office it meet its current financial obligations.)

Item 101 #2h

Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$4,500,000	\$0	GF

Language:

Page 104, line 21, strike "\$100,022,331" and insert "\$104,522,331".

Page 108, after line 9, insert:

Committee Approved Amendments to House Bill 1600, as Introduced

"V. Out of this appropriation, \$4,500,000 the first year from the general fund is provided to the Virginia Economic Development Partnership Authority to support a non-profit operating a pharmaceutical manufacturing facility that will accelerate the development of a fast-acting insulin to increase access and affordability for Virginians. Prior to any funds being disbursed, the authority shall enter into a Memorandum of Understanding (MOU) with a non-profit organization that includes performance objectives related to the availability of a fast-acting biosimilar insulin in the Commonwealth. The MOU shall identify: (i) performance objectives agreed to by both parties including a price of not more than \$30 per vial and not more than \$55 for five pre-filled insulin pens, (ii) estimated savings to residents of the Commonwealth from purchase of low-cost insulin; (iii) estimated potential savings to the Commonwealth as a self-insured employer from the availability of affordable insulin manufactured at a non-profit facility in Virginia; and (iv) this non-profit shall cause or cause to be made a matching amount of not less than \$5,000,000 for the project. The authority shall not require the achievement of the performance metrics outlined in the MOU prior to the release of these funds to an eligible non-profit company. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$4.5 million to invest in the development of a fast-acting insulin to reduce the cost of this drug for consumers to no more than \$30 per vial.)

		Item 101 #3h	
Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$20,000,000	(\$20,000,000)	GF

Language:

Page 104, line 21, strike "\$100,022,331" and insert "\$120,022,331".

Page 104, line 21, strike "\$134,381,826" and insert "\$114,381,826".

Page 106, line 27, strike "\$20,000,000" and insert "\$40,000,000".

Page 106, line 28, strike "\$70,000,000" and insert "\$50,000,000".

Page 106, after line 44, insert:

"5. The transfer of \$20,000,000 to the first year of the biennium reflects the administrative transfer of second year funds provided in Chapter 2, 2024 Acts of Assembly, Special Session I.

6. Notwithstanding § 4-1.03 c.5 of this act, the Director, Department of Planning and Budget shall not be permitted to transfer appropriations in this paragraph from the second year to the first year."

Explanation:

(This amendment provides a \$50.0 million base appropriation for the Virginia Business Ready

Committee Approved Amendments to House Bill 1600, as Introduced

Sites Fund. Budget language prohibits the Director of the Department of Planning and Budget from transferring second year appropriations to the first year for this program.)

Item 101 #4h

Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$0	(\$1,400,000)	GF

Language:

Page 104, line 21, strike "\$134,381,826" and insert "\$132,981,826".

Page 107, line 44, strike "in" and insert "for".

Page 107, strike lines 51 through 54.

Page 108, strike line 1.

Page 108, line 2, strike "U." and insert "T."

Explanation:

(This amendment removes \$1.4 million, reflecting the first anticipated incentive payment for Micron. House Bill 2358 of the 2025 General Assembly sets the parameters for the payment of custom performance grants to the company in exchange for the creation of 340 jobs and invest \$2.2 billion and requires the first payment to the company in fiscal year 2027. This amendment also addresses a technical update to language included in the introduced budget to reimburse Wythe County for improvements made for Progress Park.)

Item 101 #5h

Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$5,000,000	\$0	GF

Language:

Page 104, line 21, strike "\$100,022,331" and insert "\$105,022,331".

Page 108, after line 9, insert:

"V. Out of this appropriation, \$5,000,000 the first year from the general fund is provided to the City of Roanoke for the improvement of an existing facility to create advanced laboratory space for new cell/gene therapy companies across southwestern Virginia. Prior to the release of any funding in this paragraph, the City of Roanoke shall enter into a Memorandum of Understanding (MOU) with the Virginia Economic Development Partnership Authority and shall cause or cause to be made a matching amount of not less than \$5,000,000 for the project, and demonstrate the commitment of an anchor tenant to operate in the renovated lab space. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year

Committee Approved Amendments to House Bill 1600, as Introduced

for the purposes described in this paragraph."

Explanation:

(This amendment provides \$5.0 million to retrofit existing lab space in Roanoke, Virginia for an anchor tenant to research and develop new cell and gene therapy technologies.)

		Item 101 #6h	
Commerce and Trade	FY24-25	FY25-26	
Economic Development Incentive Payments	\$21,250,000	(\$21,250,000)	GF

Language:

Page 104, line 21, strike "\$100,022,331" and insert "\$121,272,331".
Page 104, line 21, strike "\$134,381,826" and insert "\$113,131,826".
Page 106, line 24, strike "\$21,250,000" and insert "\$42,500,000".
Page 106, line 24, after "year" strike the remainder of the line.
Page 106, line 25, strike "second year".

Explanation:

(This amendment moves a fiscal year 2026 deposit of \$21.3 million to the Major Headquarters Workforce Grant Fund to the first year.)

	Item 102 #1h
Commerce and Trade	
Department of Housing and Community Development	Language

Language:

Page 111, unstrike lines 3 through 26.
Page 111, after line 26, insert:
"7. The department shall implement this program no later than May 4, 2025. Such implementation shall include making funds available to successful applicants."

Explanation:

(This amendment restores the down-payment assistance pilot program included in Chapter 2, 2024 Acts of Assembly, Special Session 1. This grant program will provide second forgivable mortgages to home buyers, and is funded with unobligated Regional Greenhouse Gas Initiative balances.)

Commerce and Trade

Department of Housing and Community Development

Language

Language:

Page 111, after line 47, insert:

"R. The department shall identify programs designed to keep long-term residents in their primary homes as real property tax liabilities increase, including the Longtime Owner Occupancy Program (LOOP) as implemented in Philadelphia, Pennsylvania. The department shall review and provide recommendations for eligibility criteria based on financial indicators, financing options including voluntary locality contributions or offsets, and assess feasibility, equity, and efficiency of administration and implementation at the local, regional, or state level. The department shall convene a group of national, state, and local tax and housing experts to assist with developing recommendations, with the support of the Department of Taxation and the Commission on Local Government. The Department shall submit their findings to the Chairs of House General Laws and Senate General Laws and Technology by September 1, 2025."

Explanation:

(This amendment directs the Department of Housing and Community Development to provide recommendations to help long-term, low-income homeowners continue to keep their properties in areas where property liabilities have increased substantially overtime.)

Commerce and Trade

FY24-25

FY25-26

Department of Housing and
Community Development

\$0

\$15,000,000

GF

Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$325,725,885".

Page 111, after line 47, insert:

"R. Out of this appropriation, \$15,000,000 the second year from the general fund is provided to effectuate the provisions of House Bill 1598 of the 2025 General Assembly Session. Of the amounts in this paragraph, the department may use up to \$300,000 to administer this program."

Explanation:

(This amendment provides \$15.0 million to award grants to first-time homebuyers in the Commonwealth. Eligible homebuyers can receive a grant equal to 5 percent of the sale price, up to \$10,000.)

Item 102 #4h

Commerce and Trade

Department of Housing and Community Development

Language

Language:

Page 109, after line 39, insert:

"4. Notwithstanding the provisions of § 36-142, Code of Virginia, out of the amounts in this paragraph, \$161,000 shall be used by the department to implement the provisions of House Bill 2048 of the 2025 General Assembly Session."

Explanation:

(This amendment authorizes the Department of Housing and Community Development to use \$161,000 from the Virginia Housing Trust Fund to implement the provisions of House Bill 2048 of the 2025 General Assembly Session, which requires DHCD to complete annual geographic equity impact assessment to identify areas of the Commonwealth that have received an overconcentration of low-income housing developments.)

Item 102 #5h

Commerce and Trade

Department of Housing and Community Development

Language

Language:

Page 110, unstrike lines 28 through 55.

Page 111, unstrike lines 1 through 2.

Page 111, after line 2, insert:

"7. The department shall implement this program no later than May 4, 2025. Such implementation shall include making funds available to successful applicants."

Explanation:

(This amendment restores a pilot program included in Chapter 2, 2024 Acts of Assembly, Special Session I to assist nonprofits and associations of tenants residing in manufactured home parks acquire mobile home park land. This program is funded with unobligated balances of the Regional Greenhouse Gas Initiative.)

Item 102 #6h

Commerce and Trade

FY24-25

FY25-26

Committee Approved Amendments to House Bill 1600, as Introduced

Department of Housing and Community Development	\$0	\$1,500,000	GF
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Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$312,225,885".

Page 111, after line 47, insert:

"R. Out of this appropriation, \$1,500,000 the second year from the general fund is provided to effectuate the provisions of House Bill 2149 of 2025 General Assembly Session. The department is authorized to use the funds provided in this paragraph to support the administrative costs of this legislation."

Explanation:

(This amendment provides \$1.5 million to fund a pilot program to incentivize localities to adopt favorable zoning practices.)

Item 102 #7h

Commerce and Trade

FY24-25

FY25-26

Department of Housing and
Community Development

\$0

\$500,000 GF

Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$311,225,885".

Page 111, after line 47, insert:

"R. Out of this appropriation, \$500,000 the second year from the general fund is provided to the City of Suffolk to support the construction of a homeless shelter."

Explanation:

(This amendment provides \$500,000 to the City of Suffolk to finish the construction of a homeless shelter in the Western Tidewater Region.)

Item 102 #8h

Commerce and Trade

FY24-25

FY25-26

Department of Housing and
Community Development

\$0

\$25,000 GF

Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$310,750,885".

Page 111, after line 47, insert:

Committee Approved Amendments to House Bill 1600, as Introduced

"R. Out of this appropriation, \$25,000 the second year from the general fund is provided to the City of Fredericksburg to support Central Virginia Housing Coalition's Housing Counseling Program."

Explanation:

(This amendment directs \$25,000 to the City of Fredericksburg to support Central Virginia Housing Coalition's Housing Counseling Program, which helps low-income families in Planning District 16 access funding for security deposits when applying to rent an apartment.)

	Item 102 #9h	
Commerce and Trade	FY24-25	FY25-26
Department of Housing and Community Development	\$0	\$500,000 GF

Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$311,225,885".

Page 110, line 3, strike second "\$3,450,000" and insert "\$3,950,000".

Explanation:

(This amendment provides an additional \$500,000 from the general fund for the Virginia Eviction Prevention and Diversion program.)

	Item 102 #10h	
Commerce and Trade	FY24-25	FY25-26
Department of Housing and Community Development	\$0	\$1,350,000 GF

Language:

Page 108, line 24, strike "\$310,725,885" and insert "\$312,075,885".

Page 109, line 8, strike second "\$1,775,000" and insert "\$1,100,000".

Page 111, after line 47, insert:

"R. Out of this appropriation, \$2,025,000 the second year from the general fund shall be provided to support the organizational capacity and administrative needs of the Continuum of Care lead agencies in Virginia, including local planning groups in the Balance of State Continuum of Care, as they serve persons at risk of or experiencing homelessness in their regions. The department shall determine, with input from Continuum of Care lead agencies and other stakeholders, the activities that are eligible for funding, which shall include but are not limited to i) the development and management of homeless crisis response systems; ii) grant administration and reporting; iii) staff training, and iv) essential operational tasks. The

Committee Approved Amendments to House Bill 1600, as Introduced

department shall provide these funds as grants in a formula determined by the department with input from stakeholders."

Explanation:

(This amendment provides one-time support of \$2.0 million to support organizational capacity at Continuum of Care lead agencies, which serve Virginia's homeless population. These funds provide \$75,000 of support across Virginia's 27 Continuum of Care lead agencies.)

Item 102 #11h

Commerce and Trade

FY24-25

FY25-26

Department of Housing and
Community Development

\$14,000,000

\$0 GF

Language:

Page 108, line 25, strike "\$335,850,885" and insert "\$349,850,885".

Page 111, after line 47, insert:

"R.1. Out of this appropriation, \$14,000,000 the first year from the general fund is provided for the department to awards grants to localities or planning district commissions that have established or will establish by December 31, 2025 a local Housing Trust Fund for long-term local investments related to affordable housing. The department shall develop criteria and guidelines for these one-time grants on or before August 1, 2025. Of the amounts in this paragraph, \$5,000,000 shall be provided to Prince William County to support affordable housing. Of the amounts in this paragraph, \$1,000,000 shall be provided to the City of Emporia to support an affordable housing project. Any funding remaining at the end of fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$14.0 million for one-time grants to local governments that have established Housing Trust Funds for the purpose of investing local resources in the development of affordable housing and assisting families with housing access and security. It also directs \$5.0 million to support affordable housing efforts in Prince William County and the City of Emporia.)

Item 102 #12h

Commerce and Trade

Department of Housing and Community Development

Language

Language:

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

Committee Approved Amendments to House Bill 1600, as Introduced

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

2. 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 7. and 8. 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.

3. Payments under paragraph Q. 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.

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

5. 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.

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

7. "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.

8. "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.

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

Committee Approved Amendments to House Bill 1600, as Introduced

10. The department shall report to the General Assembly on the expenditure of funds from this paragraph 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."

Explanation:

(This amendment directs \$25.0 million to assist victims of Hurricane Helene that suffered major residential property damage, including the total loss of a home.)

		Item 103 #1h
Commerce and Trade	FY24-25	FY25-26
Department of Housing and Community Development	(\$15,000,000)	\$0 GF

Language:

Page 111, line 49, strike "\$150,752,325" and insert "\$135,752,325".
Page 120, strike lines 26 through 48.

Explanation:

(This amendment redirects \$15.0 million proposed for a child care facilities grant program to support mixed delivery early childhood education.)

	Item 103 #2h
Commerce and Trade	
Department of Housing and Community Development	Language

Language:

Page 114, line 35, after "L." insert:
"It is the intent of the General Assembly that the funding provided in this paragraph L.1. shall be continued in the next biennium."

Explanation:

(This amendment indicates its the priority of the General Assembly to continue funding for the Virginia Telecommunications Initiative in the next biennium.)

	Item 103 #3h	
Commerce and Trade	FY24-25	FY25-26

Committee Approved Amendments to House Bill 1600, as Introduced

Department of Housing and Community Development	\$2,600,000	\$0 GF
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Language:

Page 111, line 49, strike "\$150,752,325" and insert "\$153,352,325".

Page 113, line 36, strike "\$9,000,000" and insert "\$11,600,000".

Explanation:

(This amendment provides \$2.6 million to the Industrial Revitalization Fund.)

Item 103 #4h

Commerce and Trade

FY24-25

FY25-26

Department of Housing and Community Development	\$4,200,000	\$0 GF
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Language:

Page 111, line 49, strike "\$150,752,325" and insert "\$154,952,325".

Page 121, after line 18, insert:

"AA. Out of this appropriation, \$4,200,000 the first year from the general fund is provided for the Urban Public-Private Partnership Redevelopment Fund in accordance with the provisions of House Bill 1702 of the 2025 General Assembly Session. Of the amounts in this paragraph, \$200,000 is provided to the department for program administration."

Explanation:

(This amendment provides \$4.2 million to capitalize the Urban Public-Private Partnership Redevelopment Fund.)

Item 103 #5h

Commerce and Trade

FY24-25

FY25-26

Department of Housing and Community Development	\$6,000,000	\$0 GF
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Language:

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

Page 121, after line 18, insert:

"AA. Out of this appropriation, \$6,000,000 the first year from the general fund is provided to the City of Portsmouth to support community development projects, including water, sewer, drainage, and stormwater management improvements. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the purposes described in this

Committee Approved Amendments to House Bill 1600, as Introduced

paragraph."

Explanation:

(This amendment provides \$6.0 million to the City of Portsmouth to support community development projects, such as water line and sewer repairs.)

	Item 103 #6h	
Commerce and Trade	FY24-25	FY25-26
Department of Housing and Community Development	\$1,200,000	\$0 GF

Language:

Page 111, line 49, strike "\$150,752,325" and insert "\$151,952,325".

Page 121, after line 18, insert:

"AA. Out of this appropriation, \$1,200,000 the first year from the general fund is provided to Prince William County to support the Occoquan Riverwalk project. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$1.2 million to the Town of Occoquan for the expansion of the Riverwalk in the town's historic downtown district.)

	Item 103 #7h	
Commerce and Trade	FY24-25	FY25-26
Department of Housing and Community Development	\$15,000,000	\$0 GF

Language:

Page 111, line 49, strike "\$150,752,325" and insert "\$165,752,325".

Page 121, after line 18, insert:

"AA. Out of this appropriation, \$15,000,000 the first year from the general fund is provided to Pulaski County for site readiness improvements including a road extension, grading, and natural gas pipeline extension. Prior to the release of any funding in this paragraph, Pulaski County shall enter into a Memorandum of Understanding (MOU) with the department and shall demonstrate at a minimum a dollar for dollar match of non-state resources for these site readiness improvements. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

Committee Approved Amendments to House Bill 1600, as Introduced

(This amendment provides \$15.0 million to Pulaski County for site readiness improvements to help secure up to \$3.0 billion in capital investment in the region through the construction of a data center and powerplant in the County.)

	Item 109 #1h	
Commerce and Trade	FY24-25	FY25-26
Department of Energy	0.00	5.00 FTE

Language:

Explanation:

(This amendment provides 5.0 nongeneral fund positions for the Department of Energy to administer federal funds available from the Infrastructure Investment Jobs Act and Inflation Reduction Act.)

	Item 109 #2h	
Commerce and Trade	FY24-25	FY25-26
Department of Energy	\$0	\$2,000,000 GF

Language:

Page 123, line 13, strike "\$4,766,189" and insert "\$6,766,189".

Page 123, after line 48, insert:

"F. Out of this appropriation, \$2,000,000 the second year from the general fund is provided to capitalize the Electric Vehicle Rural Infrastructure Fund, pursuant to House Bill 1791 of the 2025 General Assembly Session."

Explanation:

(This amendment provides \$2.0 million the second year to capitalize the Electric Vehicle Rural Infrastructure Fund.)

	Item 109 #3h	
Commerce and Trade	FY24-25	FY25-26
Department of Energy	\$0	\$2,000,000 GF

Language:

Committee Approved Amendments to House Bill 1600, as Introduced

Page 123, line 13, strike "\$4,766,189" and insert "\$6,766,189".

Page 123, after line 48, insert:

"F. Out of this appropriation, \$2,000,000 the second year from the general fund is provided for the Solar Interconnection Grant Program pursuant to the provisions of House Bill 2113 of the 2025 General Assembly Session."

Explanation:

(This amendment provides \$2.0 million for the Solar Interconnection Grant Program proposed in House Bill 2113 of the 2025 General Assembly Session. This program will provide grants to localities to connect solar facilities to the grid. This is intended to be a one-time investment of funds in the program.)

	Item 111 #1h	
Commerce and Trade	FY24-25	FY25-26
Department of Small Business and Supplier Diversity	\$250,000	\$0 GF

Language:

Page 124, line 14, strike "\$9,326,797" and insert "\$9,576,797".

Page 125, after line 54, insert:

"J. Out of this appropriation, \$250,000 the first year from the general fund is provided to the City of Richmond for the Metropolitan Business League's and Bridging Virginia's Capital Access Program. Any funding remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$250,000 to the City of Richmond to support the Metropolitan Business League's and Bridging Virginia's Capital Access Program. This program provides resources to small businesses owned by individuals from historically marginalized communities and with economically disadvantaged backgrounds.)

	Item 111 #2h	
Commerce and Trade	FY24-25	FY25-26
Department of Small Business and Supplier Diversity	\$0 0.00	\$187,020 GF 2.00 FTE

Language:

Page 124, line 15, strike "\$8,912,875" and insert "\$9,099,895".

Page 125, after line 54, insert:

Committee Approved Amendments to House Bill 1600, as Introduced

"J. Out of this appropriation, \$187,020 the second year from the general fund is provided to the department to effectuate the provisions of House Bill 1922 of the 2025 General Assembly."

Explanation:

(This amendment provides \$187,020 to effectuate the provisions of House Bill 1922 of the 2025 General Assembly, which codifies Executive Order 35 related to Small, Women, and Minority owned business utilization in state contracts.)

Item 113 #1h

Commerce and Trade

Virginia Economic Development Partnership

Language

Language:

Page 129, after line 13, insert:

"T. On or before June 30, 2025 the Director, Department of Planning and Budget, shall revert to the general fund any unused balances from this item, at an amount estimated at \$1,987,000 for expenses related to recruitment and training services for the benefit of the operators of a nitrile butadiene rubber production plant and a medical-grade glove manufacturing facility slated for development in Progress Park in the County of Wythe authorized in Chapters 1 and 2 of the 2022 Acts of Assembly, Special Session I."

Explanation:

(This amendment reverts money to the general fund previously provided for talent training and recruitment services for Blue Star Manufacturing. This economic development project has stalled and funding is no longer required for these services.)

Item 113 #2h

Commerce and Trade

FY24-25

FY25-26

Virginia Economic Development Partnership

\$0

\$6,000,000

GF

Language:

Page 127, line 8, strike "\$53,451,862" and insert "\$59,451,862".

Page 128, after line 46, insert:

"5. "The Virginia Office of Education and Labor Market Alignment in partnership with the State Council of Higher Education and the Virginia Department of Workforce Development and Advancement, and in consultation with agencies participating in the Virginia Longitudinal Data System, Virginia Workforce Data Trust, and nonprofit education partners shall evaluate the need to establish the Virginia Office of Education and Labor Market Alignment as an

independent entity in state government with the primary responsibility for maintaining and allowing access to Virginia's education and workforce data systems by internal agency and qualified external organizations, addressing key education and workforce policy questions, and conducting research. The Virginia Office of Education and Labor Market Alignment shall provide the results of this evaluation to the General Assembly on or before December 1, 2025."

Page 129, after line 13, insert:

"T.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. Out of the amounts provided in this paragraph, \$150,000 shall be transferred by the Director of the Department of Planning and Budget to the Department of Human Resource Management to support an internship coordinator position for state government. The authority shall have lead responsibility for initiatives to increase employer participation in paid internship and other work-based learning programs pursuant to § 23.1-903.4, Code of Virginia, including the following activities: (i) developing and implementing a statewide promotion, convening, and marketing program to encourage, assist, and recognize employers that increase employment of student interns; (ii) arranging for administration of the matching grant program for certain employers of student interns as provided in this paragraph; (iii) arranging for deployment of an online platform to efficiently connect employers and students for internships and subsequent employment opportunities; (iv) coordinating regional collaboratives to serve as intermediaries for employers seeking to initiate or expand employment of student interns in a region; and (v) measuring and reporting program participation and progress toward identified goals through the Virginia Office of Education and Workforce Alignment. In carrying out the foregoing responsibilities, the authority shall engage stakeholders 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 Education Council; Virginia Department of Workforce Development and Advancement; and other non-profit education partners. The authority also shall partner with the State Council of Higher Education for Virginia 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.

2. The authority shall arrange 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 this paragraph. 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 authority 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 internship, for a maximum of one-half of wages, including FICA, and workplace subsidies, including transportation, housing, and other

Committee Approved Amendments to House Bill 1600, as Introduced

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 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 authority may provide other services to employers, including arranging for one or more staffing agencies to provide services related to 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.

3. The authority may employ a program leader, contract for professional services related to marketing and communications, and take such other actions within its existing authority as it deems appropriate to accomplish the purposes of this paragraph and facilitate the partnerships and collaboration described herein."

Explanation:

(This amendment directs the Virginia Office of Education and Labor Market Alignment to evaluate the need to transition from the Virginia Economic Development Partnership Authority to an independent agency within state government with responsibility for Virginia's workforce and education data systems. It also makes the Virginia Economic Development Partnership Authority responsible for the business related aspects of the state's internship program.)

	Item 114 #1h	
Commerce and Trade	FY24-25	FY25-26
Virginia Tourism Authority	\$3,000,000	\$0 GF

Language:

Page 129, line 19, strike "\$37,859,929" and insert "\$40,859,929".
Page 131, line 28, strike "\$5,000,000" and insert "\$8,000,000".
Page 131, line 31, after "event" insert "occurring on August 2, 2025".
Page 131, line 31, after "event." insert:
"From this amount, \$3,000,000 is provided to Prince William County to support the promotion of a major sporting event occurring between June 6th through June 8th of 2025."

Explanation:

(This amendment provides clarification on the allocation of \$500,000 from the Virginia Sports Tourism Incentive Program to the City of Bristol for the 2025 MLB Speed Way Classic. It also directs \$3.0 million from the program to support the LIV Golf League's tournament at Robert Trent Jones Golf Club in Gainesville, Virginia. Total support for this grant program is \$8.0 million.)

Committee Approved Amendments to House Bill 1600, as Introduced

Item 114 #2h

Commerce and Trade	FY24-25	FY25-26
Virginia Tourism Authority	\$250,000	\$0 GF

Language:

Page 129, line 19, strike "\$37,859,929" and insert "\$38,109,929".

Page 131, after line 31, insert:

"S. Out of this appropriation, \$250,000 the first year from the general fund is provided to the City of Norfolk for Nauticus to support education programming for Schooner Virginia."

Explanation:

(This amendment provides \$250,000 to support education programming related to Schooner Virginia, a reproduction of the last all sail vessel built for the Virginia Pilot Association. This tall ship serves as an educational asset for the Hampton Roads region for maritime hands-on-learning.)

Item 114 #3h

Commerce and Trade	FY24-25	FY25-26
Virginia Tourism Authority	\$50,000	\$0 GF

Language:

Page 129, line 19, strike "\$37,859,929" and insert "\$37,909,929".

Page 131, after line 31, insert:

"S. Out of this appropriation, \$50,000 the first year from the general fund is provided to Wise County for the Blue Highway Festival."

Explanation:

(This amendment provides \$50,000 for the Blue Highway Festival, an annual music festival held in Big Stone Gap, Virginia, which attracts tourist and musicians from around the world.)

Item 114 #4h

Commerce and Trade	FY24-25	FY25-26
Virginia Tourism Authority	\$0	\$2,500,000 GF

Language:

Page 129, line 18, strike "\$26,014,929" and insert "\$28,514,929".

Page 131, after line 31, insert:

Committee Approved Amendments to House Bill 1600, as Introduced

"S. Out of this appropriation, \$2,500,000 the second year from the general fund is provided for the authority to develop a marketing campaign to attract out of state visitors from Black, Indigenous, and Hispanic communities."

Explanation:

(This amendment provides \$2.5 million for the Virginia Tourism Authority to launch a media campaign to bring travelers from Black, Indigenous, and Hispanic communities to the state.)

Item 115 #1h

Commerce and Trade

Virginia Innovation Partnership Authority

Language

Language:

Page 136, line 46, after "P." insert "1."

Page 137, after line 7, insert:

"2. It is the intent of the General Assembly that the funding provided in this paragraph shall be continued in the next biennium."

Page 137, line 8, after "Q." insert "1."

Page 137, after line 27, insert:

"2. It is the intent of the General Assembly that the funding provided in this paragraph shall be continued in the next biennium."

Page 137, line 28, after "R." insert "1."

Page 137, after line 46, insert:

"2. It is the intent of the General Assembly that the funding provided in this paragraph shall be continued in the next biennium."

Page 137, line 47, after "S." insert "1."

Page 138, after line 4, insert:

"2. It is the intent of the General Assembly that the funding provided in this paragraph shall be continued in the next biennium."

Explanation:

(This amendment clarifies that \$90.0 million of investment in four life sciences initiatives are to be continued in the next biennium.)

Item 115 #2h

Commerce and Trade

FY24-25

FY25-26

Virginia Innovation Partnership
Authority

(\$35,000,000)

\$0 GF

Committee Approved Amendments to House Bill 1600, as Introduced

Language:

Page 131, line 38, strike "\$167,539,319" and insert "\$132,539,319".

Page 138, strike lines 28 through 57.

Page 139, strike lines 1 through 28.

Explanation:

(This amendment redirects \$25.0 million of proposed life sciences funding to other general fund priorities, and transfers \$5.0 million provided for the development of a fast acting insulin and \$5.0 million for the City of Roanoke to retrofit lab space to Economic Development Incentive Payments.)

Item 115 #3h

Commerce and Trade

Virginia Innovation Partnership Authority

Language

Language:

Page 134, strike lines 40 through 44.

Page 134, line 45 strike "9." and insert "8."

Explanation:

(This amendment removes language requiring the Commonwealth Health Research Board collaborate with the Virginia Biosciences Health Research Corporation (Virginia Catalyst).)

Item 349 #1h

Labor

FY24-25

FY25-26

Department of Labor and Industry

\$0

\$2,000,000

GF

0.00

3.00

FTE

Language:

Page 460, line 12, strike "\$2,253,355" and insert "\$4,253,355".

Explanation:

(This amendment provides additional operational support for the Department of Labor and Industry for wage and labor law enforcement activities required by House Bills 2098, 2743 and 2356 of the 2025 General Assembly.)

Item 354 #1h

Committee Approved Amendments to House Bill 1600, as Introduced

Labor	FY24-25	FY25-26
Department of Workforce Development and Advancement	(\$2,050,000)	\$0 GF

Language:

Page 462, line 51, strike "\$76,406,263" and insert "\$74,356,263".

Page 463, strike lines 30 through 31.

Page 463, line 32, strike "D." and insert "C."

Explanation:

(This amendment redirects \$2.1 million provided for the Virginia Has Jobs marketing campaign to other education and workforce priorities.)

Item 354 #2h

Labor	FY24-25	FY25-26
Department of Workforce Development and Advancement	\$500,000	\$0 GF

Language:

Page 462, line 51, strike "\$76,406,263" and insert "\$76,906,263".

Page 463, after line 34, insert:

"E. Out of this appropriation, \$500,000 the first year from the general fund is provided for workforce development programming under the Hampton Roads Partnership for Health Sciences initiative to support talent development for Hampton Roads' healthcare industry. The Hampton Roads Workforce Council will utilize the funding to launch the Regional Healthcare Talent Pipeline focused on identifying and addressing regional talent shortages. The program will work to mitigate ongoing chronic healthcare labor challenges, including the attraction and retention of skilled workers, that are continuously impacting the healthcare industry by increasing the flow of trained healthcare professionals who enter field. Any funding remaining at the end of fiscal year shall be carried forward into the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$500,000 for the Hampton Roads Workforce Council to launch the Regional Healthcare Talent Pipeline program.)

Item 354 #3h

Labor	FY24-25	FY25-26
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Committee Approved Amendments to House Bill 1600, as Introduced

Department of Workforce Development and Advancement \$0 (\$350,000) GF

Language:

Page 462, line 51, strike "\$42,765,600" and insert "\$42,415,600".

Explanation:

(This amendment redirects ongoing administrative support provided to the Department of Workforce Development and Advancement in the introduced budget. The programs administered by the agency are primarily supported with nongeneral funds.)

Item 356 #1h

Labor

Virginia Employment Commission

Language

Language:

Page 466, strike lines 16 through 21.

Page 466, after line 21, insert:

"O. The Virginia Employment Commission is hereby authorized to request and receive a treasury loan to fund the necessary start-up costs associated with the implementation of a Paid Family and Medical Leave Program for the Commonwealth of Virginia contingent upon the enactment of legislation introduced in the 2025 Session of the General Assembly. The treasury loan shall be repaid for these costs from revenues received from premiums assessed to employers and employees beginning in 2027, and shall be repaid no later than January 1, 2033."

Explanation:

(This amendment authorizes a treasury loan for the implementation of legislation under consideration by the 2025 General Assembly that requires the Virginia Employment Commission to establish and administer a paid family and medical leave program with benefits beginning January 1, 2028. Funding for the program is provided through premiums assessed to employers and employees beginning in 2027. Start-up costs for the program are expected to be \$75.0 million.)

Item 356 #2h

Labor

Virginia Employment Commission

Language

Language:

Page 466, after line 21, insert:

"O. The commission shall complete the Unemployment Insurance Wage Data Enhancement project by regularly collecting additional data from employers to share with the Virginia Longitudinal Data System, which will then make it available to the Office of Education and Labor Market Alignment. Additional employee data shall include 1) Job Title; 2) Pay Rate; and 3) Work Location. The commission shall use existing federal and state grant funds and complete the Unemployment Insurance Wage Data Enhancement project by December 31, 2025."

Explanation:

(This amendment directs the Virginia Employment Commission to complete the UI Wage Data Enhancement project by December 31, 2025. This project will allow for better analysis of labor market outcomes for Virginians participating in education and training programs.)

Item 358 #1h

Natural and Historic Resources

Secretary of Natural and Historic Resources

Language

Language:

Page 467, after line 42, insert:

"E.1. The Secretary of Natural and Historic Resources shall convene a workgroup to study the requirements for and historical implementation of the Water Quality Improvement Fund pursuant to 10.1-2128, Code of Virginia.

2. The workgroup shall review and make recommendations on the Water Quality Improvement Fund including the organizational structure in the Code of Virginia and budget, disposition of funding, feasibility of the incorporation of the Stormwater Local Assistance Fund, grant approval guidelines including cost-effectiveness and co-benefits of practices funded, grant agreement terms, annual reporting requirements, potential improvements to the current funding needs assessments, and outdated or unnecessary requirements.

3. The recommendations on the organizational structure in the Code of Virginia and budget shall include streamlining the funding and sub-fund structure, updating terminology and structure to enhance transparency, ensuring consistency with the Commonwealth's commitments to and mandates for water quality, and deconflicting Code and budget language. In deconflicting the Code and budget language, recommendations shall be made for items appropriate to include in the Code of Virginia and items appropriate to include in the budget.

4. The recommendations on the disposition of funding shall include mandatory deposits between sectors, discretionary deposits between sectors, the reserve fund and how to best leverage its usage to meet any nutrient reduction goals, the use of interest including for administrative costs, and the Natural Resources Commitment Fund including technical assistance funding, developing a methodology for determining a date certain for changing the

Committee Approved Amendments to House Bill 1600, as Introduced

allocation of the division between the Chesapeake Bay and Southern Rivers watersheds to the historical allocation prior to 2021, and the redistribution of unobligated funds between watersheds.

5. The workgroup shall include, but not be limited to, representatives from the Department of Conservation and Recreation, the Department of Environmental Quality, the Virginia Association of Soil and Water Conservation Districts, the Virginia Farm Bureau Federation, Virginia Cattlemen's Association, the Virginia Association of Municipal Wastewater Agencies, the Virginia Municipal Stormwater Association, the Chesapeake Bay Commission, the Chesapeake Bay Foundation, the James River Association, the Virginia Association of Counties and the Virginia Municipal League and staff of the House Appropriations and Senate Appropriations and Finance Committees.

6. The workgroup's findings and recommendations shall be reported to the Chairs of the House Appropriations and Senate Appropriations and Finance Committees, the Chairs of the House Agriculture, Chesapeake, and Natural Resources and the Senate Agriculture, Conservation, and Natural Resources Committees, and the Chair of the State Water Commission no later than November 1, 2026."

Explanation:

(This amendment directs the Secretary of Natural and Historic Resources to establish a workgroup to review the Water Quality Improvement Fund. The workgroup is directed to review and make recommendations relating to the Water Quality Improvement Fund, including its organizational structure in the Code of Virginia and Appropriations Act, the disposition of funding, the feasibility of the incorporation of Stormwater Local Assistance Fund, and other topics as directed by the amendment. The recommendations of the workgroup are required to be submitted to the Chairs of specified House and Senate committees and the State Water Commission by November 1, 2026.)

	Item 359 #1h	
Natural and Historic Resources	FY24-25	FY25-26
Department of Conservation and Recreation	\$0	\$500,000 GF

Language:

Page 468, line 2, strike "\$143,676,170" and insert "\$144,176,170".
Page 471, line 46, after "first year" insert "and \$500,000 the second year".

Explanation:

(This amendment provides \$500,000 from the general fund in fiscal year 2026 to continue support for cyanobacteria mitigation and remediation at Lake Anna.)

Committee Approved Amendments to House Bill 1600, as Introduced

Item 359 #2h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Conservation and Recreation	\$0	\$450,000	GF

Language:

Page 468, line 2, strike "\$143,676,170" and insert "\$144,126,170".

Page 472, after line 16, insert:

"Y. Out of the appropriation in this item, \$450,000 the second year from the general fund is provided to the City of Norfolk to support sand replenishment projects."

Explanation:

(This amendment provides \$450,000 from the general fund in fiscal year 2026 to support sand replenishment projects in the City of Norfolk at Toler Place Beach. The amount provided represents half of the projected cost of the projects.)

Item 359 #3h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Conservation and Recreation	\$0	\$500,000	GF

Language:

Page 468, line 2, strike "\$143,676,170" and insert "\$144,176,170".

Page 472, after line 16, insert:

"Y. Out of the appropriation in this item, \$500,000 the second year from the general fund is provided for the Virginia Conservation Assistance Program administered by the Association of Soil and Water Conservation Districts."

Explanation:

(This amendment provides \$500,000 from the general fund in fiscal year 2026 to support the Virginia Conservation Assistance Program.)

Item 359 #4h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Conservation and Recreation	\$0	\$750,000	GF

Committee Approved Amendments to House Bill 1600, as Introduced

Language:

Page 468, line 2, strike "\$143,676,170" and insert "\$144,426,170".

Page 470, line 18, strike the second "\$350,000" and insert "\$1,100,000".

Explanation:

(This amendment provides an additional \$750,000 from the general fund in fiscal year 2026 for environmental literacy programs and professional development supported by the Department of Conservation and Recreation.)

	Item 359 #5h	
Natural and Historic Resources	FY24-25	FY25-26
Department of Conservation and Recreation	\$1,500,000	\$0 GF

Language:

Page 468, line 2, strike "\$500,970,664" and insert "\$502,470,664".

Page 472, after line 16, insert:

"Y. Out of the appropriation in this item, \$1,500,000 the first year from the general fund is provided to the Town of Dumfries for Quantico Creek restoration and flood mitigation."

Explanation:

(This amendment provides \$1.5 million from the general fund in fiscal year 2025 to the Town of Dumfries to support flood mitigation and restoration at Quantico Creek.)

	Item 359 #6h	
Natural and Historic Resources	FY24-25	FY25-26
Department of Conservation and Recreation	\$0	\$33,000 GF

Language:

Page 468, line 2, strike "\$143,676,170" and insert "\$143,709,170".

Page 472, after line 16, insert:

"Y. Out of the appropriation in this item, \$33,000 the second year from the general fund is provided to support buoy placement and maintenance and hydrilla mitigation at Lake Anna."

Explanation:

(This amendment provides \$33,000 from the general fund in fiscal year 2026 to support buoy placement and maintenance and hydrilla mitigation at Lake Anna.)

Committee Approved Amendments to House Bill 1600, as Introduced

Item 360 #1h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Conservation and Recreation	\$0	\$350,000	GF

Language:

Page 472, line 18, strike "\$99,898,311" and insert "\$100,248,311".

Page 474, after line 22, insert:

"P. Out of the appropriation in this item, \$350,000 the second year from the general fund is provided for the Department to develop the Falkland State Conservation Area Master Plan and a Restoration Assessment for the Syndor House Lodge."

Explanation:

(This amendment provides \$350,000 from the general fund in fiscal year 2026 to support the development of the Falkland State Conservation Area Master Plan and a restoration assessment for the Syndor House Lodge. The 7,264 Falkland State Conservation Area was donated to the Department of Conservation and Recreation in 2021.)

Item 360 #2h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Conservation and Recreation	\$0 0.00	\$1,250,000 5.00	NGF FTE

Language:

Page 472, line 18, strike "\$99,898,311" and insert "\$101,148,311".

Explanation:

(This amendment provides \$1.3 million from nongeneral funds in fiscal year 2026 five positions for operations at the proposed Oak Hill State Park. A companion initiative would authorize the acceptance of the Oak Hill property by the Department of Conservation and Recreation to operate as a state park.)

Item 362 #1h

Natural and Historic Resources	
Department of Environmental Quality	Language

Language:

Committee Approved Amendments to House Bill 1600, as Introduced

Page 475, line 26, unstrike "2025".

Page 475, line 26, strike "2028".

Page 475, line 27, unstrike "2026".

Page 475, line 27, strike "2030".

Explanation:

(This amendment removes language proposed in House Bill 1600 as introduced that would delay the prohibition on the use of polystyrene containers until 2028 for retail food establishments operating 20 or more locations in the Commonwealth, and until 2030 for smaller establishments.)

Item 363 #1h

Natural and Historic Resources

FY24-25

FY25-26

Department of Environmental Quality

\$0

\$500,000 GF

Language:

Page 475, line 29, strike "\$58,219,321" and insert "\$58,719,321".

Page 477, after line 24, insert:

"N. Out of the amounts in this item, \$500,000 the second year from the general fund is provided to support United State Geological Survey monitoring of harmful algal blooms in the Shenandoah River."

Explanation:

(This amendment provides \$500,000 from the general fund in fiscal year 2026 to support monitoring for harmful algal blooms in the Shenandoah River.)

Item 365 #1h

Natural and Historic Resources

Department of Environmental Quality

Language

Language:

Page 479, strike lines 46 through 52.

Page 479, line 53, strike "2." and insert "G."

Explanation:

(This amendment removes obsolete language related to localities submitting stormwater utility reports to the Auditor of Public Accounts. Identical language was removed from Item 2 in Chapter 2, 2024 Special Session I.)

Committee Approved Amendments to House Bill 1600, as Introduced

Item 365 #2h

Natural and Historic Resources

FY24-25

FY25-26

Department of Environmental Quality

\$50,000,000

\$0 GF

Language:

Page 478, line 31, strike "\$241,763,554" and insert "\$291,763,554".

Page 481, after line 5, insert:

"P. Out of the amounts in this item, \$50,000,000 the first year from the general fund is provided for deposit to the Stormwater Local Assistance Fund."

Explanation:

(This amendment provides \$50 million the second year from the general fund for the Stormwater Local Assistance Fund.)

Item 365 #3h

Natural and Historic Resources

FY24-25

FY25-26

Department of Environmental Quality

\$652,113

\$0 GF

Language:

Page 478, line 31, strike "\$241,763,554" and insert "\$242,415,667".

Page 481, after line 5, insert:

"P. Out of the amounts in this item, \$652,113 the first year from the general fund is provided to the City of Richmond to defray costs of commodities, equipment, software, and supplies used by the City in its response to the January 2025 water crisis."

Explanation:

(This amendment provides \$652,000 from the general fund in fiscal year 2025 to defray costs faced by the City of Richmond in its response to the January 2025 water crisis.)

Item 365 #4h

Natural and Historic Resources

Department of Environmental Quality

Language

Language:

Page 481, after line 5, insert:

"P. Notwithstanding § 62.1-44.19:14 G. 1., Code of Virginia, the compliance schedule deadline

Committee Approved Amendments to House Bill 1600, as Introduced

for the Spotsylvania Co.-FMC WWTF and Spotsylvania Co.-Massaponax WWTF projects shall be January 1, 2027 and for the Fredericksburg WWTF project shall be January 1, 2030. For each compliance year from January 1, 2026 until such deadline that each project does not achieve the nutrient removal technology concentration specified in § 62.1-44.19:14 G. 1., Code of Virginia, the facility owner shall be responsible for acquiring sufficient point source credits to comply with its total nitrogen and total phosphorus waste load allocations applicable to that compliance year. In addition, for the Fredericksburg WWTF project, the City of Fredericksburg shall commence construction by July 1, 2025, report its progress to the Department on February 1 and August 1 each year until completion, and place nutrient removal technology in service as soon as practical prior to January 1, 2030. By July 1, 2025, or as soon as possible thereafter, the Department of Environmental Quality shall (a) modify the Virginia Pollutant Discharge Elimination System permits for each facility consistent with the deadlines and requirements of this paragraph and (b) amend any existing water quality improvement agreement pursuant to § 10.1-2131, Code of Virginia, for each project in a manner consistent with the requirements and deadlines of this paragraph."

Explanation:

(This amendment provides for the delay of construction deadlines for specified wastewater treatment plant upgrade projects in the City of Fredericksburg and the County of Spotsylvania.)

Item 365 #5h

Natural and Historic Resources

FY24-25

FY25-26

Department of Environmental Quality

\$4,250,000

\$0 GF

Language:

Page 478, line 31, strike "\$241,763,554" and insert "\$246,013,554".

Page 481, after line 5, insert:

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

Explanation:

(This amendment provides \$4.3 million from the general fund in fiscal year 2025 to support sanitary sewer pump station upgrades in Portsmouth. Upgrades are estimated to cost \$850,000 per pump station, and the amendment would support the upgrade of five stations.)

Item 370 #1h

Natural and Historic Resources

Department of Wildlife Resources

Language

Committee Approved Amendments to House Bill 1600, as Introduced

Language:

Page 483, line 35, strike the first "\$19,484,600" and insert "\$20,259,600".

Explanation:

(This amendment increases reflects the increased Part 3 transfer from the general fund to the Game Protection fund at the Department of Wildlife Resources by \$775,000 to reflect the amount necessary to support Department activities related to invasive species management. The amount and purpose was authorized by Chapter 2 of 2024 Special Session I.)

Item 371 #1h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Historic Resources	\$0	\$500,000	GF

Language:

Page 484, line 7, strike "\$13,877,427" and insert "\$14,377,427".

Page 487, after line 47, insert:

"EE. Out of the amounts in this item, \$500,000 the second year from the general fund is provided to the City of Alexandria to support the restoration of Douglass Cemetery."

Explanation:

(This amendment provides \$500,000 from the general fund in fiscal year 2026 to support the restoration of Douglass Cemetery in Alexandria.)

Item 371 #2h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Historic Resources	\$2,000,000	\$0	GF

Language:

Page 484, line 7, strike "\$48,797,227" and insert "\$50,797,227".

Page 486, line 39, strike "\$1,000,000" and insert "\$3,000,000".

Explanation:

(This amendment provides an additional \$2.0 million from the general fund in fiscal year 2025 for the Virginia Black, Indigenous, and People of Color Historic Preservation Fund.)

Item 371 #3h

Committee Approved Amendments to House Bill 1600, as Introduced

Natural and Historic Resources	FY24-25	FY25-26	
Department of Historic Resources	\$0	\$100,000	GF

Language:

Page 484, line 7, strike "\$13,877,427" and insert "\$13,977,427".

Page 487, after line 47, insert:

"EE. Out of the amounts in this item, \$100,000 the second year from the general fund is provided to the City of Norfolk to complete surveys to determine the eligibility for a historic district designation status for Titustown."

Explanation:

(This amendment provides \$100,000 from the general fund in fiscal year 2026 to the City of Norfolk to complete necessary surveys determining whether the historically-African American neighborhood of Titustown is eligible for a historic district designation.)

Item 371 #4h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Historic Resources	\$0	\$50,000	GF

Language:

Page 484, line 7, strike "\$13,877,427" and insert "\$13,927,427".

Page 487, after line 47, insert:

"EE. Out of the amounts in this item, \$50,000 the second year from the general fund is provided to the County of Arlington to support restoration projects and upgrades at the 1891 Hume School building."

Explanation:

(This amendment provides \$50,000 the second year from the general fund to Arlington County to support projects at the Arlington Historical Society's Hume School building.)

Item 371 #5h

Natural and Historic Resources	FY24-25	FY25-26	
Department of Historic Resources	\$1,500,000	\$0	GF

Language:

Page 484, line 7, strike "\$48,797,227" and insert "\$50,297,227".

Page 487, after line 47, insert:

"EE. Out of the amounts in this item, \$1,500,000 the first year from the general fund is provided

Committee Approved Amendments to House Bill 1600, as Introduced

to the City of Virginia Beach to support the Virginia African American Cultural Center. Any amounts provided in this paragraph remaining on June 30th of the first year shall automatically carry forward to the second year."

Explanation:

(This amendment provides \$1.5 million from the general fund in fiscal year 2025 to support the Virginia African American Cultural Center in the City of Virginia Beach.)

				Item 371 #6h
Natural and Historic Resources	FY24-25	FY25-26		
Department of Historic Resources	\$0	\$76,008	GF	

Language:

Page 484, line 7, strike "\$13,877,427" and insert "\$13,953,435".

Explanation:

(This amendment provides \$76,008 from the general fund in fiscal year 2026 pursuant to the provision of House Bill 1823.)

				Item 372 #1h
Natural and Historic Resources	FY24-25	FY25-26		
Department of Historic Resources	\$0	\$750,000	GF	
	0.00	2.00	FTE	

Language:

Page 487, line 48, strike "\$1,557,678" and insert "\$2,307,678".

Explanation:

(This amendment provides \$750,000 from the general fund in fiscal year 2026 and two positions to support operations of the Department of Historic Resources.)

				Item 471 #2h
Central Appropriations	FY24-25	FY25-26		
Central Appropriations	\$0	\$2,020,020	GF	
	\$0	\$1,983,471	NGF	

Language:

Committee Approved Amendments to House Bill 1600, as Introduced

Page 587, line 12, strike "\$3,265,382" and insert "\$7,268,873".

Page 590, after line 29, insert:

"Q. Out of this appropriation, \$2,020,020 the second year from the general fund and \$1,983,471 the second year from the nongeneral fund is provided to effectuate the provisions of House Bill 1928 of the 2025 General Assembly Session. Out of the amounts provided in this paragraph, the Director of the Department of Planning and Budget shall distribute \$683 from the general fund to the Compensation Board to support support increases to the minimum wage for state supported constitutional officers."

Explanation:

(This amendment provides \$2.0 million from the general fund and \$2.0 million from the nongeneral fund to support increases to the state's minimum wage to \$13.50 an hour starting January 1, 2026. The costs reflected in this amendment are for state employees and state-supported constitutional officers.)

Item 471 #3h

Central Appropriations	FY24-25	FY25-26	
Central Appropriations	\$0	\$3,330,565	GF
	\$0	\$9,437,500	NGF

Language:

Page 587, line 11, strike "\$3,265,382" and insert "\$16,033,447".

Page 590, after line 29, insert:

"Q. Out of this appropriation, \$3,330,565 the second year from the general fund and \$9,437,500 the second year from the nongeneral fund is provided to effectuate the provisions House Bill 2764 of the 2025 General Assembly Session. Out of the amounts provided in this paragraph, the Director of the Department of Planning and Budget shall distribute \$439,592 from the general fund to the Office of the Attorney General and Department of Law; \$1,484,113 from the general fund to the Department of Human Resource Management; \$937,500 from the general fund and \$937,500 from the nongeneral fund to the Department of Medical Assistance Services; \$469,000 from the general fund to the Department of Labor and Industry; and \$8,500,000 from the nongeneral fund to the Department of Accounts."

Explanation:

(This amendment provides \$12.7 million to fund the provisions of House Bill 2764 of the 2025 General Assembly Session, which authorizes collective bargaining for state employees. The Department of Planning and Budget estimates that resources will be needed prior to the enactment of this bill on July 1, 2026.)

Item 471 #4h

Central Appropriations

Central Appropriations

Language

Language:

Page 590, line 9, strike "Virginia Clean Energy Innovation Bank" and insert:
"Virginia Clean Energy Innovation Fund".

Page 590, line 10, after "administration." insert:

"The Department of Energy shall be prohibited from obligating the resources provided in this paragraph to any project until the enactment of House Bill 2509 of the 2025 General Assembly."

Explanation:

(This amendment redirects \$10.0 million provided to fund the Virginia Clean Energy Innovation Bank in Chapter 2, 2024 Acts of Assembly, Special Session I to the Virginia Clean Energy Innovation Fund created by House Bill 2509 of the 2025 General Assembly Session.)

Item 3-1.01 #1h

Transfers

Interfund Transfers

Language

Language:

Page 653, line 22, strike the first "\$12,184,600" and insert "\$12,959,600".

Explanation:

(This amendment increases the transfer from the general fund to the Game Protection fund at the Department of Wildlife Resources by \$775,000 to reflect the amount necessary to support Department activities related to invasive species management. The amount and purpose was authorized by Chapter 2 of 2024 Special Session I.)

Item 4-14 #1h

Effective Date

Effective Date

Language

Language:

Page 732, after line 1, insert:

16. That § 59.1-392 of the Code of Virginia is amended and reenacted as follows:
§ 59.1-392. Percentage retained; tax.

Committee Approved Amendments to House Bill 1600, as Introduced

A. Any person holding an operator's license to operate a horse racetrack or satellite facility in the Commonwealth pursuant to this chapter shall be authorized to conduct pari-mutuel wagering on horse racing subject to the provisions of this chapter and the conditions and regulations of the Commission.

B. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the Commonwealth, involving win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 1.0 percent to the Commonwealth as a license tax and 0.25 percent to the locality in which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection D, provided, however, that if the percentage amount approved by the Commission is other than percent, the amounts provided in subdivisions D 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 18 percent.

C. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing conducted within the Commonwealth, involving win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25 percent to the locality in which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection D, provided, however, that if the 25 percentage amount approved by the Commission is other than 18 percent, the amounts provided in subdivisions D 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 18 percent.

D. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live horse racing conducted within the Commonwealth, involving win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

1. Eight percent as purses or prizes to the participants in such race meeting;
2. Seven and one-half percent and all of the breakage and the proceeds of pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator;
3. One percent to the Virginia Breeders Fund;
4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
5. Five one-hundredths percent to the Virginia Horse Center Foundation;
6. Five one-hundredths percent to the Virginia Horse Industry Board; and
7. The remainder of the retainage shall be paid as appropriate under subsection B or C.

Committee Approved Amendments to House Bill 1600, as Introduced

E. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be distributed as follows: 2.25 percent to the Commonwealth as a license tax, and 0.5 percent to the locality in which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection G, provided, however, that if the percentage amount approved by the Commission is other than 22 percent, the amounts provided in subdivisions G 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 22 percent.

F. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing conducted within the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is located, and 0.5 percent to the locality in which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection G, provided, however, that if the percentage amount approved by the Commission is other than 22 percent, the amounts provided in subdivisions G 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 22 percent.

G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live horse racing conducted within the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a percentage amount approved by the Commission as jointly requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

1. Nine percent as purses or prizes to the participants in such race meeting;
2. Nine percent and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator;
3. One percent to the Virginia Breeders Fund;
4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
5. Five one-hundredths percent to the Virginia Horse Center Foundation;
6. Five one-hundredths percent to the Virginia Horse Industry Board; and
7. The remainder of the retainage shall be paid as appropriate under subsection E or F.

H. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside the Commonwealth, the licensee may, with the approval of the Commission, commingle

Committee Approved Amendments to House Bill 1600, as Introduced

pools with the racetrack where the transmission emanates or establish separate pools for wagering within the Commonwealth. All simulcast horse racing in this subsection must comply with the Interstate Horse Racing Act of 1978 (15 U.S.C. § 3001 et seq.).

I. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place, and show wagering, the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license tax, and 0.5 percent to the Virginia locality in which the racetrack is located.

J. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place, and show wagering, the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25 percent to the Virginia locality in which the racetrack is located.

K. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:

1. One percent of the pool to the Virginia Breeders Fund;
2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
3. Five one-hundredths percent to the Virginia Horse Center Foundation;
4. Five one-hundredths percent to the Virginia Horse Industry Board; and
5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding in the Commonwealth.

L. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving wagering other than win, place, and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, and 1.0 percent to the Virginia locality in which the racetrack is located.

M. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving wagering other than win, place, and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is located, and 0.5 percent to the Virginia locality in which the racetrack is located.

N. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite

Committee Approved Amendments to House Bill 1600, as Introduced

facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving wagering other than win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:

1. One percent of the pool to the Virginia Breeders Fund;
2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
3. Five one-hundredths percent to the Virginia Horse Center Foundation;
4. Five one-hundredths percent to the Virginia Horse Industry Board; and
5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding in the Commonwealth.

O. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not include pari-mutuel wagering pools and license taxes authorized by this section.

P. All payments by the licensee to the Commonwealth or any locality shall be made within five days from the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia Breeders Fund shall be made to the Commission within five days from the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia-Maryland Regional College of Veterinary Medicine, the Virginia Horse Center Foundation, the Virginia Horse Industry Board, and the Virginia Thoroughbred Association shall be made by the first day of each quarter of the calendar year. All payments made under this section shall be used in support of the policy of the Commonwealth to sustain and promote the growth of a native industry.

Q. If a satellite facility is located in more than one locality, any amount a licensee is required to pay under this section to the locality in which the satellite facility is located shall be prorated in equal shares among those localities.

R. Any contractual agreement between a licensee and other entities concerning the distribution of the remaining portion of the retainage under subsections I through N and subsections U and V shall be subject to the approval of the Commission.

S. The recognized majority horsemen's group racing at a licensed race meeting may, subject to the approval of the Commission, withdraw for administrative costs associated with serving the interests of the horsemen an amount not to exceed two percent of the amount in the horsemen's account.

T. The legitimate breakage from each pari-mutuel pool for live, historical, and simulcast horse racing shall be distributed as follows:

1. Seventy percent to be retained by the licensee to be used for capital improvements that are subject to approval of the Commission; and

Committee Approved Amendments to House Bill 1600, as Introduced

2. Thirty percent to be deposited in the Racing Benevolence Fund, administered jointly by the licensee and the recognized majority horsemen's group racing at a licensed race meeting, to be disbursed with the approval of the Commission for gambling addiction and substance abuse counseling, recreational, educational, or other related programs.

U. On pari-mutuel pools generated by wagering on historical horse racing ~~on the first 3,000 terminals authorized~~, the licensee shall retain ~~1.25~~ 1.39 percent of such pool to be distributed as follows:

1. a. If generated at a racetrack, ~~0.5~~ 0.56 percent to the locality in which the racetrack is located; or

b. If generated at a satellite facility *before July 1, 2026*, ~~0.25~~ 0.28 percent to the locality in which the satellite facility is located and ~~0.25~~ 0.28 percent to the Virginia locality in which the racetrack is located. *If generated at a satellite facility on and after July 1, 2026, 0.56 percent to the locality in which the satellite facility is located;*

2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01 percent;

3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025 percent each; and

4. The remainder to the Commonwealth as a license tax.

~~V. On pari-mutuel pools generated by wagering on historical horse racing on the 2,000 terminals authorized by the seventh enactment of Chapters 1197 and 1248 of the Acts of Assembly of 2020, the licensee shall retain 1.6 percent of such pool to be distributed as follows:~~

~~1. a. If generated at a racetrack, 0.64 percent to the locality in which the racetrack is located; or~~

~~b. If generated at a satellite facility, 0.32 percent to the locality in which the satellite facility is located and 0.32 percent to the Virginia locality in which the racetrack is located;~~

~~2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01 percent;~~

~~3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025 percent each; and~~

~~4. The remainder to the Commonwealth as a license tax."~~

Explanation:

(This amendment codifies the proportional taxation based on deployment methodology adopted by the Virginia Racing Commission at its October 15, 2024 meeting, and provides for the distribution the local share of tax levied on part-mutuel wagering to the localities in which

Committee Approved Amendments to House Bill 1600, as Introduced

satellite facilities are located beginning July 1, 2026.)
