


REPORT OF THE SUBCOMMITTEE ON ECONOMIC DEVELOPMENT & NATURAL RESOURCES

SENATE FINANCE &
APPROPRIATIONS COMMITTEE
FEBRUARY 2, 2025





**Report of the Economic Development and Natural Resources
Subcommittee**

The Honorable David W. Marsden, Chair

February 2, 2025

Madam Chair and Members of the Committee,

Your Subcommittee has carefully reviewed the Governor's introduced budget for the Secretariats of Agriculture and Forestry, Commerce and Trade, Labor and Natural Resources. We have thoughtfully considered these proposals, along with those offered by our Senate colleagues. In our deliberations, we took your directive to the Committee to heart – the Senate budget would prioritize education and Medicaid funding, and one-time resources should be invested in one-time needs that would not create ongoing obligations for the Commonwealth.

Our proposed budget actions focus on improving communities for working Virginians and we are suggesting investments that total \$100.0 million in community resilience and disaster mitigation. A community does not exist without housing, and access to affordable housing continues to be a struggle for many. Our proposed amendments include \$15.0 million to mitigate housing instability through rental relief, \$5.0 million to provide community capital access, and support for local pilot programs to demonstrate innovative solutions for Virginians.

In the areas of Agriculture and Forestry and Natural Resources, the Subcommittee is proposing support for a large animal veterinary care incentive program, wildlife corridor grants, and groundwater research. In keeping with our desire to steward our natural resources, the Subcommittee endorses the \$97.3 million deposit to the Water Quality Improvement Fund, and, although not included in our report, the Subcommittee is supportive of

the \$40.0 million investment in the Stormwater Local Assistance Fund proposed in the capital budget.

This completes the report of the Economic Development and Natural Resources Subcommittee. I would like to thank the Subcommittee members for their participation, and I hope it will be the pleasure of the Committee to adopt our amendments.

Respectfully Submitted,

The Honorable David W. Marsden, Chairman

The Honorable Barbara A. Favola, Vice-Chair

The Honorable Richard H. Stuart

The Honorable Bryce E. Reeves

The Honorable Scott A. Surovell

Report of the Subcommittee on Economic Development and Natural Resources
(Proposed Amendments to SB 800 as Introduced, 2025 Session)

Amendment		SB 800, General Fund		
		FY 2025	FY 2026	Biennium
1	Agriculture and Forestry			
2	Department of Agriculture and Consumer Services			
3	Redirect Funding for Insurance Premium Assistance Program	\$ -	\$ (250,000)	\$ (250,000)
4	Redistribute Information Technology Modernization Support	\$ 150,000	\$ (150,000)	\$ -
5	SB 921 - Large Animal Veterinary Care Incentive Grant Program	\$ 450,000	\$ -	\$ 450,000
6	SB 970 - Cannabis and Hemp Enforcement	\$ -	\$ 273,243	\$ 273,243
7	Subtotal, Department of Agriculture and Consumer Services	\$ 600,000	\$ (126,757)	\$ 473,243
8				
9	<i>Various Language Amendments</i>	<i>Language</i>		
10	Total Agriculture and Forestry	\$ 600,000	\$ (126,757)	\$ 473,243
11				
12	Commerce and Trade			
13	Economic Development Incentive Payments			
14	Adjust Amazon HQ2 Advance Payments	\$ 7,450,000	\$ (21,250,000)	\$ (13,800,000)
15	Adjust Business Ready Sites Funding	\$ 20,000,000	\$ (50,000,000)	\$ (30,000,000)
16	Governor's Motion Picture Opportunity Fund	\$ 2,500,000	\$ -	\$ 2,500,000
17	Eastern Shore Economic Development Enhancements	\$ 10,000,000	\$ -	\$ 10,000,000
18	Develop Advanced Laboratory Facility	\$ 10,000,000	\$ -	\$ 10,000,000
19	Reflect Incentive Payment Schedule	\$ -	\$ (1,400,000)	\$ (1,400,000)
20	Subtotal, Economic Development Incentive Payments	\$ 49,950,000	\$ (72,650,000)	\$ (22,700,000)
21				
22	Department of Housing and Community Development			
23	SB 1128 - Affordable Housing Criminal Record Screening Model Policy	\$ -	\$ 10,000	\$ 10,000
24	SB 777 - Income Qualified Energy Efficiency and Weatherization Task Force	\$ -	\$ 20,000	\$ 20,000
25	Rehabilitation of Derelict Structures Fund for Affordable Housing Pilot	\$ 250,000	\$ -	\$ 250,000
26	Eviction Prevention and Expanded McKinney Vento Services	\$ 1,500,000	\$ -	\$ 1,500,000

Report of the Subcommittee on Economic Development and Natural Resources
(Proposed Amendments to SB 800 as Introduced, 2025 Session)

Amendment		SB 800, General Fund		
		FY 2025	FY 2026	Biennium
27	Establish Rental Assistance Program	\$ 15,000,000	\$ -	\$ 15,000,000
28	Workforce Housing Assistance Incentive Grant Pilot	\$ 190,000	\$ -	\$ 190,000
29	Redirect Funding for Early Learning Capital Incentives	\$ (15,000,000)	\$ -	\$ (15,000,000)
30	Redirect Funding for Disaster Assistance Fund	\$ (25,000,000)	\$ -	\$ (25,000,000)
31	Low Barrier Emergency Shelter	\$ 1,500,000	\$ -	\$ 1,500,000
32	Sanitary Sewer Pump Upgrades	\$ 4,250,000	\$ -	\$ 4,250,000
33	Prentis Street Transmission Water Main Improvements	\$ 6,000,000	\$ -	\$ 6,000,000
34	Emergency Management Mobile Application Communications Pilot	\$ 350,000	\$ -	\$ 350,000
35	Replenish Community Development Financial Institutions Fund	\$ 5,000,000	\$ -	\$ 5,000,000
36	Disaster Mitigation for Qualified Communities	\$ 50,000,000	\$ -	\$ 50,000,000
37	Subtotal, Department of Housing and Community Development	\$ 44,040,000	\$ 30,000	\$ 44,070,000
38				
39	Department of Energy			
40	SB 1190 - Virginia Energy Facility Review Board	\$ -	\$ 2,500,000	\$ 2,500,000
41	Rural EV Charging Stations Incentive Grant	\$ 1,000,000	\$ -	\$ 1,000,000
43	Subtotal, Department of Energy	\$ 1,000,000	\$ 2,500,000	\$ 3,500,000
44				
45	Virginia Economic Development Partnership			
46	Increase Targeted Marketing	\$ 2,500,000	\$ -	\$ 2,500,000
47	Subtotal, Virginia Economic Development Partnership	\$ 2,500,000	\$ -	\$ 2,500,000
48				
49	Virginia Tourism Authority			
50	Redirect Sports Tourism Grant Program	\$ (5,000,000)	\$ -	\$ (5,000,000)
51	Subtotal, Virginia Tourism Authority	\$ (5,000,000)	\$ -	\$ (5,000,000)
52				

Report of the Subcommittee on Economic Development and Natural Resources
(Proposed Amendments to SB 800 as Introduced, 2025 Session)

Amendment		SB 800, General Fund		
		FY 2025	FY 2026	Biennium
53	Virginia Innovative Partnership Authority			
54	Return Support for Biotechnology to Base Funding	\$ (35,000,000)	\$ -	\$ (35,000,000)
55	Subtotal, Virginia Innovative Partnership Authority	\$ (35,000,000)	\$ -	\$ (35,000,000)
56				
57	<i>Various Language Amendments</i>	<i>Language</i>		
58	COMMERCE AND TRADE TOTAL	\$ 57,490,000	\$ (70,120,000)	\$ (12,630,000)
59				
60	LABOR			
61				
62	Department of Labor and Industry			
63	Redirect Funding Increase	\$ (52,370)	\$ (52,370)	\$ (104,740)
64	Capture Funding Provided for Medical Evaluations	\$ (75,250)	\$ (75,250)	\$ (150,500)
65	SB 998 - Child Labor In Content Creation	\$ -	\$ 147,600	\$ 147,600
66	SB 853 - Prevailing Wage Apprenticeship	\$ -	\$ 2,392,509	\$ 2,392,509
67	Subtotal, Department of Labor and Industry	\$ (127,620)	\$ 2,412,489	\$ 2,284,869
68				
69	Department of Workforce Development and Advancement			
70	Redirect Funding for Virginia Has Jobs	\$ (2,050,000)	\$ -	\$ (2,050,000)
71	Redirect Funding for Agency Administration	\$ -	\$ (350,000)	\$ (350,000)
72	Subtotal, Department of Workforce Development and Advancement	\$ (2,050,000)	\$ (350,000)	\$ (2,400,000)
73				
74	Virginia Employment Commission			
75				
76	<i>Various Language Amendments</i>	<i>Language</i>		
77	LABOR TOTAL	\$ (2,177,620)	\$ 2,062,489	\$ (115,131)
78				

Report of the Subcommittee on Economic Development and Natural Resources
(Proposed Amendments to SB 800 as Introduced, 2025 Session)

Amendment	SB 800, General Fund		
	FY 2025	FY 2026	Biennium
79 NATURAL RESOURCES			
80 Department of Conservation and Recreation			
81 Adjust VALORS for Conservation Officers	\$ -	\$ (57,000)	\$ (57,000)
82 Community Flood Preparedness Fund	\$ 50,000,000	\$ -	\$ 50,000,000
83 Lake Anna Harmful Algal Bloom (Cyanobacteria) Mitigation	\$ 250,000	\$ -	\$ 250,000
84 Lake Barcroft Dam	\$ 500,000	\$ -	\$ 500,000
85 Walking Trail at Biscuit Run Park in Albemarle County	\$ 1,300,000	\$ -	\$ 1,300,000
86 Jones Pond Remediation at Caledon State Park	\$ 300,000	\$ -	\$ 300,000
87 Subtotal, Department of Conservation and Recreation	\$ 52,350,000	\$ (57,000)	\$ 52,293,000
88			
89 Department of Environmental Quality			
90 Redirect Richmond Combined Sewer Overflow Funding	\$ (50,000,000)	\$ -	\$ (50,000,000)
91 Richlands Water Treatment Plant Upgrades	\$ (1,000,000)	\$ -	\$ (1,000,000)
92 Fund Freshwater Testing for Harmful Algal Blooms	\$ 250,000	\$ -	\$ 250,000
93 Conduct Groundwater Research	\$ 2,300,000	\$ -	\$ 2,300,000
94 Subtotal, Department of Environmental Quality	\$ (48,450,000)	\$ -	\$ (48,450,000)
95			
96 Department of Wildlife Resources			
97 Wildlife Corridor Grant Program	\$ 450,000	\$ -	\$ 450,000
98 Subtotal, Department of Wildlife Resources	\$ 450,000	\$ -	\$ 450,000
99			

Report of the Subcommittee on Economic Development and Natural Resources
(Proposed Amendments to SB 800 as Introduced, 2025 Session)

Amendment		SB 800, General Fund		
		FY 2025	FY 2026	Biennium
100	Department of Historic Resources			
101	Restore Second Year Support for Historic and Commemorative Attractions	\$ (750,000)	\$ 750,000	\$ -
102	Redirect Additional Administrative Support	\$ (250,000)	\$ -	\$ (250,000)
103	African American Cemetery and Graves Fund	\$ 2,000,000	\$ -	\$ 2,000,000
104	Douglass Cemetery Restoration	\$ 500,000	\$ -	\$ 500,000
105	James Solomon Russell Saint Paul's College Museum and Archives	\$ 150,000	\$ -	\$ 150,000
106	Subtotal, Department of Historic Resources	\$ 1,650,000	\$ 750,000	\$ 2,400,000
107				
108	Marine Resources Commission			
109				\$ -
110	<i>Various Language Amendments</i>	<i>Language</i>		
111	NATURAL RESOURCES TOTAL	\$ 6,000,000	\$ 693,000	\$ 6,693,000
112	SUBCOMMITTEE TOTAL	\$ 61,912,380	\$ (67,491,268)	\$ (5,578,888)

Item 85 #1s

SB 921 - Large Animal Veterinary Care Incentive Grant Program

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

Language:

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

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

Page 94, after line 32, insert:

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

Explanation:

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

Item 359 #1s

Community Flood Preparedness Fund

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

Language:

Page 468, line 2, strike "\$500,970,664" and insert "\$550,970,664".

Page 471, line 33, strike "\$100,000,000" and insert "\$150,000,000".

Explanation:

(This amendment provides an additional \$50.0 million GF the first year for deposit to the Virginia Community Flood Preparedness Fund.)

Item 359 #2s

Lake Anna Harmful Algal Bloom (Cyanobacteria) Mitigation

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

Language:

Page 468, line 2, strike "\$500,970,664" and insert "\$501,220,664".

Page 471, line 46, after "item" strike "\$500,000" and insert "\$750,000".

Page 471, at the end of line 47 insert "Any funding remaining at the end of Fiscal Year 2025 shall be carried forward into the next fiscal year for the same purpose."

Explanation:

(This amendment provides an additional \$250,000 GF the first year to continue cyanobacteria mitigation and remediation efforts at Lake Anna.)

Item 363 #2s

Conduct Groundwater Research

Natural and Historic Resources	FY24-25	FY25-26
Department of Environmental Quality	\$2,300,000	\$0 GF

Language:

Page 475, line 28, strike "\$57,982,778" and insert "\$60,282,778".

Page 477, after line 24, insert:

"N. Out of the amounts in this item, \$2,300,000 the first year from the general fund is provided for groundwater research in the Eastern Groundwater Management Area. The appropriation shall be distributed as follows: \$2,000,000 for the department to install five additional multi-well research stations to gather additional data to study the upper portions of the Eastern Groundwater Management Area; and \$300,000 for the department to conduct a study, in coordination with Virginia Polytechnic Institute and State University, to determine technically feasible locations within the Eastern Groundwater Management Area to recommend water treatment upgrades for Virginia municipal water systems modeled on the Hampton Roads Sanitation District SWIFT project and the cost of such upgrades. The analysis shall be provided to the Chairs of the State Water Commission, House Committee on Agriculture, Chesapeake, and Natural Resources, and Senate Committee on Agriculture, Conservation, and Natural Resources by July 1, 2026. Any funding remaining at the end of Fiscal Year 2025 shall be

carried forward in to the next fiscal year for the purposes described in this paragraph."

Explanation:

(This amendment provides \$2.3 million GF the first year for the Department of Environmental Quality to expand ground water research in the Eastern Groundwater Management Areas. The funding includes support for multi-well research stations and resources to conduct a study to determine technically feasible locations to recommend water treatment upgrades modeled on the Hampton Roads Sanitation District SWIFT project and the cost of such upgrades. The analysis would be provided to the Chairs of the State Water Commission, House Committee on Agriculture, Chesapeake, and Natural Resources, and Senate Committee on Agriculture, Conservation, and Natural Resources by July 1, 2026.)
