



VIRGINIA HOUSE  
APPROPRIATIONS  
COMMITTEE

CHAIRMAN LUKE E. TORIAN

February 2, 2025

# COMMITTEE AMENDMENTS TO HOUSE BILL 1600

PREPARED BY

House Appropriations Committee Staff



# RESOURCES

# RELIEF FOR WORKING VIRGINIANS

- Redeploys \$1.1 billion to provide immediate and on-going tax relief to Virginia's hard-working citizens
  - Authorizes a tax rebate of \$200 for individuals and \$400 for joint filers to be issued by October 15, 2025 (\$978 million one-time cost)
  - Reduces all citizens' tax liability by further adjusting the standard deduction to \$8,750 for individuals and \$17,500 for joint filers (cost of \$78.7 million in FY 2026, \$53.3 million annually thereafter)
  - Increases the refundable portion of the Earned Income Tax Credit (EITC) to 20% of the federal credit, providing on-going tax relief to lower income citizens (\$35 million annual cost starting FY 2026)
- Legislative relief package:
  - Benefits more Virginians than Governor's proposal – does not exclude those without cars and doesn't exclude those with income above \$50,000
  - Provides relief sooner, with rebate checks sent this fall, instead of waiting until after next year's tax filing season
  - Provides more relief – Governor's proposal capped at \$150 individual and \$300 for joint filers

# COMMITTEE REVENUE AND RESOURCE ADJUSTMENTS

Revenue and Resource Changes	FY 2025	FY 2026	Biennial
<b>Additions to Balance</b>			
Revert Blue Star Talent Funding	1,987,000	0	1,987,000
DCP and Capitol Square Found. Balances	3,017,615	0	3,017,615
JLARC and DLS Balances	1,500,000	0	1,500,000
Auxiliary Grant Balances	1,000,000	0	1,000,000
Transfer Portion Transformation Funding for K-12	1,000,000	0	1,000,000
SCC Reinsurance Balances	20,000,000	0	20,000,000
<b>Changes to Revenues</b>			
Sports Betting Forecast Adjustment	2,200,000	2,200,000	4,400,000
Remove assumed revenue loss of HB 1965	0	35,000,000	35,000,000
Remove assumed revenue loss of HB 1550	0	10,000,000	10,000,000
EITC - Expand refundability to 20%	0	-35,000,000	-35,000,000
Standard Deduction - Increase \$250/\$500	0	-78,800,000	-78,800,000
Reflect Racing Commission Revenue	31,700,000	33,200,000	64,900,000
Correct Impact of HB 2643	10,400,000	-9,300,000	1,100,000

# COMMITTEE REVENUE AND RESOURCE ADJUSTMENTS

Revenue and Resource Changes	FY 2025	FY 2026	Biennial
<b>TRANSFERS</b>			
OAG: Consumer Affairs Revolving Fund	5,314,002	0	5,314,002
Increase Transfer to DWR	-775,000	0	-775,000
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Unappropriated Balance – as Introduced	7,052,154	7,770,080	14,752,234
HAC Changes to Resources	77,343,617	-42,700,000	34,643,617
HAC Changes to Spending	51,634,120	-10,743,298	40,890,822
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<b>HAC Ending Balance/Unappropriated Balance</b>	32,761,651	-24,256,622	8,505,029



# PUBLIC EDUCATION

# PUBLIC EDUCATION

Proposes an additional \$773.8 million from state sources over the biennium, in addition to the \$2.56 billion increase in Ch. 2

Increases distributions to school divisions by \$558.0 million, an increase of 2.7%

State Funds \$ in millions	FY 2025	FY 2026	Biennial
Jt. Sub. on K12 Funding	\$1.0	\$0.0	\$1.0
Department of Education	7.9	0.7	8.6
Direct Aid to Public Education	327.5	410.4	737.9
Early Childhood Direct Aid	25.8	0.5	26.3
<b>House Proposed</b>	<b>\$362.2</b>	<b>\$411.6</b>	<b>\$773.8</b>

# K-12 FUNDING JOINT SUBCOMMITTEE RECOMMENDATIONS

- **Support Positions.** Includes \$222.5 million in FY 2026 to fully eliminate the cap on funded support positions
- **Special Education Add-On.** Includes \$52.8 million in FY 2026 to establish an add-on to basic aid for special education students
  - 4.75% add-on for Service Level I students and 5.25% add-on for Service Level II students with more intense needs
  - Add-on recognizes that school divisions do not receive state support for the majority of special education aide positions
- **Joint Subcommittee Support.** Includes \$1.0 million to enhance stakeholder engagement, facilitation, and technical support for the subcommittee's 2025 work



# DIRECT AID TO PUBLIC EDUCATION

- **\$1,000 bonus payment.** Includes \$140.5 million in FY 2025 to provide a one-time bonus for state supported instructional and support positions
  - No local match required
  - Bonus provided September 1, 2025
- **School Construction Grants.** Includes \$150.0 million NGF in casino revenues, for a total of \$310.0 million in grants over the biennium
- **Literary Fund.** Directs \$50.0 million NGF from fund each year to support teacher retirement costs

- **Assessment System Contract**

- Includes \$2.9 million in FY 2025 for costs associated with extending current contract as authorized in proposed language
- Includes \$700,000 in FY 2026 to procure national expertise to guide selection of assessment vendor with goal for implementation in the 2027-2028 school year

- **Virginia IEP System Enhancements**

- Includes \$5.0 million for system enhancements to improve IEP process, support parental engagement, and improve performance monitoring

- **Regional Academic Support Specialists**

- Includes 6 positions in the Office of School Quality to support schools not meeting accreditation benchmarks

# EARLY CHILDHOOD PUBLIC-PRIVATE PILOTS

- **Public Private Partnership Pilot (HB 1771)**

- Includes \$25.0 million in FY 2025 to begin supporting early childhood cost-sharing pilot with private employers
- Establishes about 2,585 slots
- State contributes 1/3 of cost; employer contributes at least 1/3

- **Virginia Beach Title I Schools Pilot**

- Includes \$500,000 in FY 2026 to establish employer cost-sharing early childhood pilot as an incentive for Title I school employees
- Establishes about 94 slots
- State contributes 1/3 of cost; employer contributes at least 1/3

# EARLY CHILDHOOD

- Existing appropriations and actions eliminate B-5 waitlist

Early Childhood Actions Addressing Waitlists	New Slots	Waitlist
<b>Birth to Age 5 Waitlist as of Jan. 1</b>		<b>8,715</b>
<b>Included in Chapter 2:</b> Additional FY 2026	2,440	(2,440)
<b>Policy action:</b> Adjust Copays: \$5/minimum and 5% of family income	1,278	(1,278)
<b>Policy action:</b> Direct FY 2025 VPI Utilization Savings to subsidy slots		(1,149)
<b>Policy action:</b> Limit job search eligibility to 90 days		(1,063)
<b>Policy action:</b> Public Private and Va. Beach Pilot Slots	2,679	(2,679)
<b>TOTAL</b>	<b>6,397</b>	<b>(106)</b>

- Establishes attendance expectations for all early childhood programs
- Maintains .5000 VPI LCI Cap

# SUPPLEMENTAL GRANTS

GF \$ in millions	FY 2026
Virginia Symphony Orchestra	\$300,000
Teach for America	250,000
Children's Museum of Rich.	750,000
REACH Literacy	50,000
My 2k Foundation	50,000
AP, IB, and Cambridge Exam Fee Reduction	150,000
CodeVA AI Pilot	150,000
Dolly Parton Imagination Lib.	1,000,000
Virginia Holocaust Museum	125,000

GF \$ in millions	FY 2026
PBS Appalachia	\$750,000
Blue Ridge PBS	150,000
Excel Center - Goodwill Ind. of the Valleys	750,000
Additional Support for Community Schools	2,500,000
Virginia Alliance of YMCAs	Language
Firearm Detection Grants	2,500,000
Fairfax Title I Elementary School Enrichment	144,320
Vision Screening Grants	200,000



# HIGHER EDUCATION

# HIGHER EDUCATION – \$145.4 MILLION NEW FUNDING

- \$66.9 million to maintain affordability and expand access
  - \$55.0 million to maintain affordability distributed to all institutions to address projected cost increases
  - \$11.9 million for unique operating needs at GMU, ODU, CNU & UVA-Wise
- \$20.0 million for a partnership between public & private HBCUs
- \$11.9 million to expand access in health-related fields at JMU, Radford, Mary Washington, and Virginia Tech
- \$11.8 million for Virginia Tuition Assistance Grant to maintain award levels and address Hispanic Serving Institutions (HSI)
- \$10.0 million at SCHEV for increased waiver costs in the next academic year
  - Language also provides for an additional \$20.0 million in the second year based on FY 25 revenue surplus
- \$24.9 million in institution-specific initiatives across higher education

# LANGUAGE ITEMS

- Innovative Internship Program - transfers responsibility and funding for business coordination and marketing to VEDP
  - Aspects dealing with colleges and universities remain at SCHEV
- Clarifies workforce credential grant spending to avoid issues of over subscription in the program
- Provides Virginia Tech School of Medicine same language as other medical schools to allow leveraging of federal funds through DMAS
- Out-of-State Tuition Flexibility
- Adds Richard Bland College to the Level 2 Pilot Program





# COMMERCE, AG, AND NATURAL RESOURCES

# ADDRESSING HOUSING CRISIS

## Statewide Programs

- Retains investments in the Virginia Housing Trust Fund, Chapter 2 added \$25.0 million to this program last year, bringing the base budget for the program to \$87.5 million
- Adds capacity to the Virginia Housing Opportunity Tax Credit (\$68.0 million per year)
- \$15.0 million for a first-time home-buyer grant home (HB 1598)
- \$4.2 million to capitalize the Urban Public-Private Partnership Redevelopment Fund
- Adds \$500,000 to the Eviction Prevention and Diversion Program, bringing total second year support for this program to \$4.0 million

## Pilot Programs

- Invests \$1.5 million for a pilot program to award grants to localities that adopt favorable zoning policies to increase affordable housing supply (HB 2149)
- Restores pilot programs to provide forgivable second mortgages to homebuyers and grants to mobile home park associations or nonprofits to purchase land from private owners

# ADDRESSING HOUSING CRISIS

## Regional and Local Programs

- Dedicates \$25.0 million to help victims of Hurricane Helene that suffered major damage or lost their homes
- Creates a \$14.0 million grant program to support the efforts of Virginia localities to create local housing trust funds
- Provides \$2.0 million to help local organizations reduce homelessness
- Invests \$500,000 to finish the construction of a homeless shelter in the Western Tidewater Region
- Provides \$25,000 to support a program that helps renters with security deposits in Central Virginia
- Adds language at DHCD to provide recommendations to help long-term, low-income homeowners continue to keep their properties in areas where property liabilities have increased substantially over time

# LABOR AND WORKFORCE

## Paid Family and Medical Leave

- Adds a Treasury Loan to fund the start-up costs of Paid Family and Medical Leave (HB 2531)

## Minimum Wage

- Supports increasing the minimum wage to \$13.50/hour starting January 1, 2026 with \$2.0 million (HB 1928)

## Collective Bargaining

- Adds \$3.3 million and \$9.4 million NGF to support collective bargaining for state employees (HB 2764)

## Internships

- Transfers \$6.0 million to the Virginia Economic Development Partnership Authority to manage and administer the business-related aspects of the Innovative Internship Program

# BUSINESS READY SITES AND INCENTIVES

## Business Ready Sites

- Sets a \$50 million base budget for the Virginia Business Ready Sites program
- The introduced budget proposed a \$70 million base budget for this program
- Includes language preventing the Director of the Department of Planning and Budget from moving second year appropriations for the program to the first year, which has happened twice, eliminating the base budget for the program

## Blue Star Manufacturing

- Provides \$3.9 million to reimburse Wythe County for work completed at Progress Park for the company per VEDP's MOU with the County
- Captures balances from the Virginia Talent Accelerator Program (\$2.0 million) provided for VEDP for this project

## Motion Picture Opportunity Fund

- Adds \$1.0 million to the Governor's Motion Picture Opportunity Fund to meet the state's commitments for the Pharrell Williams film project

# LIFE SCIENCES

## Chapter 2 Investments

- Retains Support for Higher Education Research Investments in Chapter 2 (\$90.0 million invested in projects at UVA, VCU, VT and ODU)
- Budget language provides direction for the continuation of these efforts in the next biennium

## Low-Cost Insulin Development

- Invests \$4.5 million in the development of low-cost insulin, requires the company to enter into a MOU with VEDP

## Roanoke Lab Space

- Invests \$5.0 million to retrofit lab space in Roanoke, VA to allow Children's National Hospital to conduct gene/cell therapy research in the region

# COMMUNITY DEVELOPMENT

## Pulaski Site Readiness Improvements

- Includes \$15.0 million to support a road and natural gas pipeline extension and grading on a site that can attract up to \$3.0 billion of capital investment

## Community Infrastructure

- Adds \$6.0 million to support community development in the City of Portsmouth for waterline, sewer, and infrastructure improvements
- Adds \$1.2 million for Prince William County to complete the Riverwalk Project

## Industrial Revitalization Fund

- Invests an additional \$2.6 million to the Industrial Revitalization Fund bringing the total biennial investment for this program to \$16.6 million

# TOURISM

## Sports Events and Tournaments Incentives

- Invests \$8.0 million to support a new grant program at the Virginia Tourism Authority to recruit out-of-state sporting events and tournaments to Virginia
- Directs \$3.0 million to a golf tournament and \$500,000 for a major league baseball game

## New Marketing Campaign

- Provides \$2.5 million to support a new tourism marketing campaign to recruit travelers to the state from Black, Indigenous, and Hispanic communities



# WATER QUALITY

- Appropriates \$93.7 million mandatory WQIF deposit as follows:
  - \$50.0 million for the City of Richmond's Combined Sewer Overflow Project
  - \$26.4 million deposited to WQIF
  - \$17.4 million to DEQ to support wastewater treatment plant improvements
- \$50.0 million GF for Stormwater Local Assistance Fund to meet needs assessment

# DEPT. OF CONSERVATION & RECREATION

- \$1.5 million GF for Quantico Creek flood mitigation
- \$1.3 million NGF to establish a new State Park in Loudoun County (HB 2306)
- \$750,000 GF for environmental literacy programs
- \$500,000 GF for Lake Anna cyanobacteria mitigation
- \$450,000 GF for a sand replenishment project in Norfolk
- \$350,000 GF for Falkland Farm master plan and Syndor House Lodge restoration assessment

# DEPT. ENVIRONMENTAL QUALITY

- \$4.3 million GF for sanitary sewer pump rehabilitation in the City of Portsmouth
- \$1.5 million GF for water treatment plant upgrades at the Richlands Regional Treatment Facility
- \$652,000 GF for Richmond water crisis response costs
- \$500,000 GF for harmful algal bloom monitoring in Shenandoah River
- Language adjusting construction deadline requirements for wastewater treatment plant upgrades in Fredericksburg and Spotsylvania County

# DEPT. OF HISTORIC RESOURCES

- \$2.0 million in additional support for the BIPOC Fund
- \$1.5 million to support the Virginia African American Cultural Center in Virginia Beach
- \$750,000 in FY 2026 and two positions to support DHR operations and information technology
- \$500,000 to address flooding issues at Douglass Cemetery
- \$250,000 the first year for outside legal counsel to address battlefield easement processing backlog
- \$100,000 to support surveys to determine historic district designation eligibility for Titustown in Norfolk
- \$76,000 to support the Virginia Commission on Lynching Sites Memorialization (House Bill 1823)
- \$50,000 to support restoration projects at Hume School in Arlington County

# OTHER NATURAL RESOURCES

## **Department of Wildlife Resources**

- \$4.4 million for state portion of cost for U.S. Army Corps of Engineers project to construct permanent seabird nesting habitat
  - State share represents 35% of total estimated cost of project
- Reflects transfer of \$750,000 to the Game Protection Fund to support invasive species mitigation and removal activities

## **Virginia Marine Resources Commission**

- \$150,000 for safety upgrades at main offices

# AG & FORESTRY

## **VDACS**

- \$2.9 million for ongoing modernization of Department's regulatory systems
- \$632,000 for new equipment required to implement an inspection process for electric vehicle chargers
- \$450,000 to support Large Animal Veterinarian Grant Program (House Bill 2303)
- \$250,000 to support additional Blue Catfish infrastructure grants
- \$25,000 to support the Rappahannock education farm

## **Department of Forestry**

- \$502,000 to upgrade the Integrated Forest Resource Information System

# LANGUAGE AMENDMENTS

- Language to establish a Water Quality Improvement Fund work group under the Secretary of Natural and Historic Resources
- Part 4 amendment related to historic horse racing revenues:
  - Amends the Code to reflect the “blended rate” approach to gross fee assessment adopted by Racing Commission at its October meeting
  - Amends the Code to direct the entirety of the local historic horse racing revenue share to stay with satellite localities beginning July 1, 2026



# HEALTH AND HUMAN RESOURCES



# DBHDS INITIATIVES: \$52.9 MILLION OVER THE BIENNIUM

- \$8.7 million GF for CSBs to hire additional support coordinators
- \$8.0 million GF to support CSB prevention services
- \$5.0 million GF to expand the Special Conservators of the Peace pilot program to maintain custody of an individual under an ECO/TDO
- \$4.8 million GF to create additional crisis co-response teams pursuant to MARCUS Alert legislation
- \$4.6 million GF for developmental disability services and quality assurance
- \$3.3 million GF to address the rising pharmaceutical costs at state facilities

# DBHDS

- \$2.4 million GF to provide salary increases to trades positions at state facilities
- \$2.3 million GF to sustain and expand the Adult Psychiatric Access Line to allow primary care physicians to better treat patients with mental health or substance use disorders
- \$2.0 million GF to expand pilot programs for the diversion and discharge of individuals with dementia or geriatric individuals in state hospitals
- \$1.5 million GF to support Part C Early Intervention Services
- \$1.5 million GF for outpatient competency restoration services
- \$1.1 million GF to expand *Boost!* to pay for supervisory clinical hours required to become a licensed counselor or social worker

# DEPARTMENT OF SOCIAL SERVICES

- \$8.0 million GF over the biennium to implement enhanced child protective services, including improvements to the CPS Hotline interactive voice response system
- \$7.3 million GF and \$6.5 million NGF to fund the employment and income verification for benefits contract
- \$4.0 million GF in FY 2025 for CASA Welcome Centers in Prince William and Fairfax
- \$1.6 million GF to provide maintenance care payments to former foster care youth ages 21-23
- \$1.5 million GF and \$1.4 million NGF to increase the foster care and adoption COLA
- \$1.1 million NGF to support the Two-Generation/Whole Family Project

# DMAS FORECASTS

(GF \$ IN MILLIONS)

DMAS Forecasts	FY 2025	FY 2026
Official forecast of Medicaid utilization & inflation	\$337.0	\$295.5
Adjust for Virginia Health Care Fund revenue	<u>(48.8)</u>	<u>15.5</u>
<b>Adjusted Medicaid Forecast</b>	<b>\$288.2</b>	<b>\$311.0</b>
FAMIS children's health insurance forecast	18.5	22.2
M-CHIP children's health insurance forecast	22.4	25.2
Involuntary Mental Commitment Fund	<u>(0.9)</u>	<u>(0.7)</u>
<b>Total DMAS Health Care Forecasts</b>	<b>\$328.2</b>	<b>\$357.7</b>

# MATERNAL & CHILD HEALTH INITIATIVES IN DMAS & VDH

Initiative	FY 2026
HB 2102: Medicaid Presumptive Eligibility for Pregnant Persons	\$4,469,269
Perinatal Health Hub Pilot Program	2,500,000
Mobile Maternal Health Clinic	2,500,000
HB 2446: Post Partum Depression Act	553,200
Increase Medicaid Reimbursement for Midwives	550,332
HB 2539: Medicaid Comprehensive Dental Services for Pregnant Persons	517,699
Community Grants for Maternal Mental Health Care	500,000
Establish a Billing Hub for Doulas	500,000
HB 1929: Pregnancy Mobile Application	159,500
<b>Total</b>	<b>\$12,250,000</b>

# OTHER MEDICAID SPENDING

- \$6.9 million GF and \$39.8 million NGF to allow Medicaid reimbursement for weight loss drugs to be based on clinical guidelines
- \$1.6 million GF and \$3.1 million NGF for Medicaid coverage of inpatient and residential facilities to support 20 individuals with traumatic brain injuries and neurocognitive disorders
- \$658,252 GF and \$687,152 NGF to provide Medicaid reimbursement for direct care staff support in acute care settings to individuals with DD
- \$250,000 GF and \$250,000 NGF to add Medicaid support for 5 additional medical education residency slots for anesthesiologists

# OTHER HEALTH DEPT. SPENDING

- \$1.0 million GF for a pilot program to provide medical transportation services to uninsured individuals living in rural Virginia through the Community Healthcare Association
- \$1.0 million GF to license pediatric extended care centers (HB 2198)
- \$644,075 GF to fund the Prescription Drug Affordability Board (HB 1724)
- \$500,000 GF for free clinics

# DEPT. FOR AGING AND REHABILITATIVE SERVICES

## **Disability Services**

- \$1.0 million GF over the biennium to increase brain injury community-based services and expand in unserved areas of the state
- \$985,000 GF workforce retention initiatives for state contracted brain injury service providers

## **Aging Services**

- \$1.5 million for services for older adults served by local Area Agencies on Aging
- \$750,000 GF to expand services for a pilot program in Northern Virginia to reduce the risk of social isolation among older adults
- \$400,000 GF to implement an interdisciplinary plan of care and dementia case management program by the Area Agencies on Aging located in Richmond and Roanoke



# GENERAL GOVERNMENT AND CAPITAL OUTLAY

# CAPITAL OUTLAY

## Capital Outlay Funding Type for FY 2024-2026 (\$ in millions)

General Fund Cash	\$1,013.7
General Fund Bonds	0.0
Nongeneral Fund Cash	165.8
9(c) Revenue Bonds	206.1
9(d) Revenue Bonds	31.5
<b>Total</b>	<b>\$1,417.1</b>

- No new tax-supported debt
- 83% of general fund spend addresses projects already in the pipeline

# CONSTRUCTION & ACQUISITION

- House Budget includes total of \$598.7 million GF for construction and acquisition projects
- Majority of funding is for eleven projects at institutions of higher education

Owner	Project Name
Virginia State Police	<ul style="list-style-type: none"><li>• Replace Training Academy</li><li>• Acquire Division 6 Headquarters-Roanoke</li></ul>
Virginia Tech	<ul style="list-style-type: none"><li>• Expand VT-Carilion School of Medicine &amp; Fralin Biomedical Research Institute</li></ul>
Virginia Comm. Univ.	<ul style="list-style-type: none"><li>• Acquire Altria Building</li></ul>
Virginia Military Institute	<ul style="list-style-type: none"><li>• Construct Center for Leadership &amp; Ethics Phase II, &amp; Parking Structure</li></ul>
Virginia State University	<ul style="list-style-type: none"><li>• Renovate Virginia Hall</li><li>• Construct BOLT Leadership Academy</li></ul>
Virginia Community College System	<ul style="list-style-type: none"><li>• Renovate Amherst/Campbell, Central VA</li><li>• Replace Godwin Building, Annandale Campus, Northern Virginia</li></ul>
William and Mary	<ul style="list-style-type: none"><li>• Renovate Ewell Hall</li><li>• Replace Law School Central Utility Plant</li></ul>

# EXISTING FACILITY IMPROVEMENTS

- Total of \$207.3 million GF for projects that address life safety, accessibility, upgrades, and security
- \$166.1 million GF for projects at state agency facilities
  - \$52.1 million for DBHDS to make priority repairs at state facilities
  - \$48.3 million to upgrade correctional center HVAC capabilities
  - \$20.0 million for State Parks' deferred maintenance
- \$41.2 million GF for improvement projects at the following institutions of higher education:
  - George Mason University, William and Mary, Virginia State University, Longwood University, University of Mary Washington, and Norfolk State University

# PLANNING

## Project Highlights:

### New State Building

- \$35.0 million GF to plan a new building and parking garage on the VDOT Annex footprint
- Defines scope, to include potential childcare capabilities

### New Courts Building

- \$14.5 million GF to continue planning, demolition, and site preparation

- \$103.1 million GF to continue or initiate project planning; projects of note:

Owner	Project
Department of General Services	<ul style="list-style-type: none"><li>• Replace State Laboratory</li></ul>
Radford University	<ul style="list-style-type: none"><li>• Construct Roanoke Academic Building</li></ul>
George Mason Univ.	<ul style="list-style-type: none"><li>• Interdisciplinary Science &amp; Engineering Building</li></ul>
Wilson Workforce Rehabilitation Center	<ul style="list-style-type: none"><li>• Replace Switzer Student Workforce Transition Facility</li><li>• Perform Structural Repairs</li></ul>
Old Dominion University	<ul style="list-style-type: none"><li>• Address Oceanography Building Deferred Maintenance</li></ul>
University of Virginia at Wise	<ul style="list-style-type: none"><li>• Construct Technology Classroom Building (<i>pre-planning only</i>)</li></ul>
Virginia Community College System	<ul style="list-style-type: none"><li>• Replace Buchanan and Tazewell Halls, Southwest Virginia Community College</li></ul>

# GENERAL GOVERNMENT

- \$131.0 million for the Department of Taxation to replace the state's revenue management system (IRMS)
- \$15.5 million GF to address fees for sealing and expungement
  - Includes sufficient support for 240 additional positions at local offices of Circuit Court Clerks and Commonwealth's Attorneys
- \$9.0 million for four claims to persons wrongfully incarcerated
- \$4.5 million for deposit to the Criminal Fund to support legislation
- \$3.7 million for 11 additional judgeships
- \$2.0 million for the 2026 transition and inauguration of elected officials



# COMPENSATION AND RETIREMENT

# EMPLOYEE BONUS

- Provides \$55.6 million for a 1% bonus for state and state supported local employees
  - Funding provided in first year, bonus to be paid in 2nd year
  - \$41.1 million for state employees including higher education staff (does not include adjunct faculty and teaching assistants)
  - \$14.5 million for state Supported Local employees
  - Bonus to be included in December 1 paycheck
- K-12 subcommittee report includes \$140.5 million GF for \$1,000 bonus for teachers



# FUNDING TO ADDRESS RETIREE HEALTH CARE

- Includes \$100.0 million GF in first year to address funded status of the state employee retiree health credit
- Funded status for retiree health credit is 35% while funded status for retirement plans range from 73% to 88%
  - Projected to be approximately 50% with the \$100.0 million lump sum payment

# OTHER RECOMMENDATIONS

- Provides \$200,000 GF in the second year for Virginia Beach to fund cancer screenings to public employees who responded to the jet crash in 2012
- Includes \$1.6 million GF for the state employee health insurance plan pursuant to the passage of 3 bills impacting the plan
  - HB 1641 (Hope) – Mandates coverage of services for certain pediatric disorders (PANDAS/PANS)
  - HB 1828 (Simonds) – Eliminates copays for breast exams
  - HB 2371 (Mundon King) – Require coverage for OTC contraceptive drugs and devices



# TRANSPORTATION AND PUBLIC SAFETY

# DEPARTMENT OF CORRECTIONS

- \$4.1 million in FY 2026 to reflect projected spending on inmate medical services
- \$2.1 million in FY 2025 for mobile classrooms to expand career and technical education offerings for HVAC and renewable energy
- \$935,000 in FY 2026 for two mobile teams to provide dental services to inmates in state correctional facilities
- \$905,000 in FY 2026 to expand electronic monitoring of individuals under probation supervision
- \$815,000 deposit in Corrections Special Reserve Fund to reflect sentencing impact of 16 House Bills

# DEPT. OF CRIMINAL JUSTICE SERVICES

Item	Total
Additional Support for Sexual Assault and Domestic Violence Agencies	\$4,125,000
ECO/TDO Transportation Reimbursement for Law Enforcement	2,000,000
Develop new testing integration model for TRACER	450,000
VICTOR Program	350,000
Add'l support for Office of First Responder Wellness	322,218
HB 2594 – Best practices for security at religious institutions	273,350
HB 2039 – Model Policy, LEO Encrypted Comms.	131,516
HB 2033 – Human Trafficking Awareness Training (ABC licensees)	106,516
Increase support for D.A.R.E. program	30,000

# STATE POLICE

- \$3.3 million the second year to reflect pay step increase for sworn trooper positions
- \$2.4 million in one-time funding to upgrade or replace LiveScan fingerprint units
- \$2.2 million from non-general fund balances for ongoing costs of upgrading the Virginia Criminal Information Network (VCIN)
- \$1.2 million to support replacement of drones manufactured in countries on foreign adversary list
- \$1.8 million to support implementation of 7 House Bills

# VETERANS & DEFENSE AFFAIRS

## Dept. of Veterans Services

- \$1.7 million GF and \$3.0 million NGF additional support for start-up costs at new veterans care centers
- \$1.1 million for funding and one position for development and maintenance of agency's IT systems
- \$114,000 to support incarcerated veteran reentry coordination (HB 2071)
- \$145,000 to support veteran suicide prevention program (HB 1738)

# VIRGINIA GAMING COMMISSION

- Part 4 amendment updates the Code of Virginia to establish the Virginia Gaming Commission
- A technical amendment establishes the Virginia Gaming Commission within the Independent Agencies section of the Appropriations Act



# GF TRANSPORTATION AMENDMENTS

- **Technical Adjustment to WMATA Funding** – Restores \$3.3 million GF in FY 2025 for operating support for WMATA,
  - Introduced budget reduced funding by \$11.1 million
- **Funding for VDOT to Complete Highway Equity Study** – Provides \$250,000 GF in FY 2025 for VDOT to study the impact of the development of the state's highway systems on African American communities
- **Funding for NOAA PORTS Sensor Stations as the Non-Federal Sponsor** – Includes \$325,000 GF in FY 2025 to fund sensor stations that were previously funded by the US Navy

# DREDGING AMENDMENTS

- **Dredging for Wallops Island-** Provides \$8.0 million from the TPOF for the Port to support a dredging project at Wallops Island to enable large barges to bring rockets to the launch site
  - Language makes funding contingent on the execution of leases for the AIT Building built for Rocket Lab (MEI project) and limits the cost for the ground lease
- **Amendments pursuant to HB 1834** – transfers responsibility for the Virginia Waterway Maintenance Grant Program and Fund from the Virginia Port Authority to the Marine Resources Commission
  - Report includes 3 amendments effectuating the transfer

# OTHER LANGUAGE AMENDMENTS

- **Exempt Transit Buses From Tolls** – Includes language stating that transit buses should be exempted from paying tolls in the Commonwealth
- **Complete a Review of the DMV Select Program** - Includes language requiring the DMV to complete an analysis of the financial impact on localities of the DMV Select program