



VIRGINIA HOUSE  
APPROPRIATIONS  
COMMITTEE

CHAIRMAN LUKE E. TORIAN

February 22, 2026

REPORT OF THE  
HOUSE APPROPRIATIONS  
SUBCOMMITTEE ON

# COMPENSATION & RETIREMENT

House Bill 30



# **REPORT OF THE SUBCOMMITTEE**

## **ON**

### **COMPENSATION AND RETIREMENT**

Mr. Chairman and Members of the Committee:

On behalf of the Compensation and Retirement Subcommittee, I am very pleased to present to you our budget recommendations. First, I would like to thank the Chairman for his support and guidance during this Session.

The Subcommittee recommendations today build upon the work the committee has done over the last several sessions. Heading into the 2026-28 biennium we have provided funding for salary increases for our employees, including our state employees, state supported local employees, and our SOQ funded positions for 5 consecutive years, beginning with fiscal year 2022. While it seems that this should be the norm, I can assure you historically it has not been.

I am happy to report our subcommittee recommendations, along with those of the K-12 subcommittee, include \$786 million to provide a 2% salary increase in each year of the biennium for all employee groups which will extend the string to 7 consecutive years. Providing increases on an annual basis is vital to ensure our employee compensation package is competitive with the market and adequate to attract and retain the employees who provide necessary services to our citizens.

In the area of employee benefits, the Subcommittee spent a significant amount of effort reviewing the financial status of the state employee health insurance program. As you are aware Mr. Chairman, for the last three biennium there have been minimal increases in the state employee health insurance premiums based on significant cash balances in the State Employee Health Insurance Fund. Over the past 2 years, we have experienced a significant increase in expenditures driven largely by an increase in pharmacy costs consistent with other health insurance programs. This has resulted in a substantial decrease in the Fund's cash balances.

To address this issue, the subcommittee recommendations includes a one-time direct general fund deposit into the Fund at the beginning of fiscal year 2027 of \$80.0 million as well as \$243.5 general fund over the biennium to fund a 12.96% premium increase in the first year and a 5% increase in the second year. These actions will ensure the cash balances in the Fund remain at an appropriate level.

Finally, Mr. Chairman, I would like to take this opportunity to thank the members of this Subcommittee for their hard work this Session.

Mr. Chairman and fellow Committee members, I will ask staff to take you through our recommendations, and then I hope it will be your pleasure to adopt our Subcommittee report.

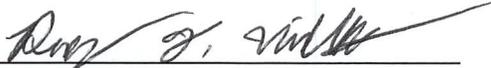
Respectfully Submitted by the House Appropriations Subcommittee on  
Compensation & Retirement:



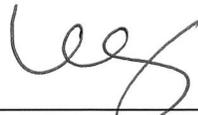
Alex Q. Askew, Chair



C.E. (Cliff) Hayes Jr.



Rodney T. Willet



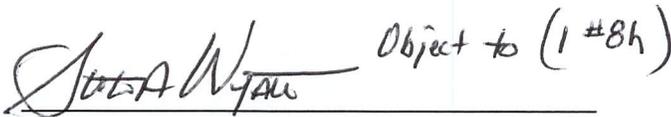
Kathy KL Tran



Shelly A. Simonds



Keith M. Hodges



Scott A. Wyatt



HB 30 Amendments	2026-28 BIENNIAL TOTAL		FTEs
	General Fund	Nongeneral Fund	
<b>LEGISLATIVE</b>			
<b>General Assembly of Virginia</b>			
Adjust Legislator Compensation	2,131,489		
<b>EXECUTIVE DEPARTMENT</b>			
<b>Attorney General and Department of Law</b>			
OAG: Salary Compression Adjustments	7,080,084		
<b>OFFICE OF ADMINISTRATION</b>			
<b>Department of Human Resource Management</b>			
Modernization of the Commonwealth's Job Classification System	500,000		
<b>OFFICE OF PUBLIC SAFETY AND HOMELAND SECURITY</b>			
<b>Department of Fire Programs</b>			
HB 393 - Funding for First Responders Cancer Screening Fund	2,000,000		
<b>CENTRAL APPROPRIATIONS</b>			
<b>Central Appropriations</b>			
HB 865 - Include Lung and Non-Hodgkin Lymphomam in Cancer Pr	90,100		
Technical Correction IALR / RHEA Salary	515,276		
State Employee Health Insurance - HB 1182 & HB 795	721,300		
Lump Sum Deposit for State Employee Health Insurance Fund	80,000,000		



*Committee Approved Amendments to House Bill 30, as Introduced*

Item 1 #8h

<b>Legislative Department</b>	<b>FY26-27</b>	<b>FY27-28</b>	
General Assembly of Virginia	\$0	\$2,131,489	GF

**Language:**

Page 3, line 5, strike "\$67,511,846" and insert "\$69,643,335".

Page 3, line 20, after "\$17,640 per year" insert:

"through January 12, 2028 and \$45,000 per year effective January 13, 2028".

Page 3, line 20, after "\$18,000 per year" insert:

"through January 12, 2028 and \$45,000 per year effective January 13, 2028".

Page 3, after line 20, insert:

"The salary of the members of the House of Delegates and the Senate of Virginia shall be adjusted concurrent with any adjustment to state employee salaries provided for in a general appropriation act that are effective on or after January 13, 2028. Any such adjustment shall only become effective at the beginning of a regular legislative session immediately following the general election of the Senate of Virginia and such increase shall include any intervening increases in state employee salaries over the four prior years."

**Explanation:**

(This amendment provides \$2.1 million general fund in fiscal year 2028 to adjust the compensation for the members of the House of Delegates and State Senate up to \$45,000 effective the start of the 2028 legislative session.)

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Item 54 #1h

<b>Executive Offices</b>	<b>FY26-27</b>	<b>FY27-28</b>	
Attorney General and Department of Law	\$3,540,042	\$3,540,042	GF

**Language:**

Page 47, line 43, strike "\$1,472,451" and insert "\$5,012,493".

Page 47, line 43, strike "\$1,472,451" and insert "\$5,012,493".

Page 47, after line 46, insert:

"Out of the amounts included in this appropriation, \$3,540,042 the first year and \$3,540,042 the second year from the general fund is provided for compensation adjustments for attorneys within the Office of the Attorney General to address high turnover and vacancies."

**Explanation:**

(This amendment provides \$3.5 million each year from the general fund to provide salary compression adjustments for approximately 320 attorneys within all divisions of

*Committee Approved Amendments to House Bill 30, as Introduced*

the Office of the Attorney General. The funding addresses a compensation gap that has accumulated over nearly a decade without systematic correction.)

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Item 74 #2h

<b>Administration</b>	<b>FY26-27</b>	<b>FY27-28</b>
Department of Human Resource Management	\$500,000	\$0 GF

**Language:**

Page 76, line 14, strike "\$118,052,873" and insert "\$118,552,873".

Page 78, after line 14, insert:

"J. Out of the amounts included in this appropriation, \$500,000 from the general fund the first year is provided for the Department of Human Resource Management to examine the options for modernizing the Commonwealth's job classification system. In conducting its review the Department shall (i) consider and recommend a method to standardize the Commonwealth's system of classified job titles, (ii) review and update classified salary pay bands, and (iii) review and recommend redesigned base salary budgeting, base salary structure management, and job structure management. The Department shall complete its work and make recommendations to the Governor and General Assembly by November 30, 2026."

**Explanation:**

(This amendment includes \$500,000 from the general fund in fiscal year 2027 and includes language requiring the Department to make recommendations regarding the Commonwealth's employee classification system.)

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Item 406 #1h

<b>Public Safety and Homeland Security</b>	<b>FY26-27</b>	<b>FY27-28</b>
Department of Fire Programs	\$2,000,000	\$0 GF

**Language:**

Page 485, line 45, strike "\$53,707,527" and insert "\$55,707,527".

Page 486, after line 18, insert:

"B. Out of the appropriation provided in this item, \$2,000,000 the first year from the general fund is provided for deposit into the First Responders Cancer Screening Fund created pursuant to the passage of House Bill 393 of the 2026 General Assembly Session."

**Explanation:**

(This amendment provides \$2.0 million from the general fund in each year for deposit into the First Responders Cancer Screening Fund which was created pursuant to the passage of House

*Committee Approved Amendments to House Bill 30, as Introduced*

Bill 393 of the 2026 General Assembly session.)

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Item 469 #2h

<b>Central Appropriations</b>	<b>FY26-27</b>	<b>FY27-28</b>	
Central Appropriations	\$0	\$90,100	GF

**Language:**

Page 534, line 13, strike "\$356,513,260" and insert "\$356,603,360".

Page 541, line 2, strike the second "\$4,133,277" and insert "\$4,223,377".

**Explanation:**

(This amendment provides \$90,100 general fund in fiscal year 2028 pursuant to the passage of House Bill 865 which adds lung cancer and non-hodgkin's lymphoma to the cancer presumption for firefighters and other first responders.)

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Item 469 #3h

<b>Central Appropriations</b>	<b>FY26-27</b>	<b>FY27-28</b>	
Central Appropriations	\$170,624	\$344,652	GF

**Language:**

Page 534, line 13, strike "\$164,110,197" and insert "\$164,280,821".

Page 534, line 13, strike "\$356,513,260" and insert "\$356,857,912".

Page 541, line 11, strike "\$92,321,275" and insert "\$92,491,889".

Page 541, line 11, strike "\$203,442,509" and insert "\$203,787,161".

Page 542, after line 30, insert:

"7. It is the intention of the General Assembly that the Department of Planning and Budget include the personnel cost for the Institute For Advanced Learning and Research into the methodology used to calculate the cost of future salary increases.

8. It is the intention of the General Assembly that the Department of Planning and Budget include the personnel cost for the Roanoke Higher Education Authority into the methodology used to calculate the cost of future salary increases."

**Explanation:**

(This amendment makes a technical correction related to salary calculations for the Institute For Advanced Learning and Research and the Roanoke Higher Education Authority and includes funding for these two centers in the funding for the two percent salary increases in both years.)

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*Committee Approved Amendments to House Bill 30, as Introduced*

Item 469 #6h

<b>Central Appropriations</b>	<b>FY26-27</b>	<b>FY27-28</b>	
Central Appropriations	\$360,650	\$360,650	GF

**Language:**

Page 534, line 13, strike "\$164,110,197" and insert "\$164,470,847".  
Page 534, line 13, strike "\$356,513,260" and insert "\$356,873,910".  
Page 535, line 33, strike "\$99,423,507" and insert "\$99,784,157".  
Page 535, line 34, strike "\$144,095,199" and insert "\$144,455,849".

**Explanation:**

(This amendment provides \$360,650 from the general fund each year of the biennium pursuant to the passage of House Bill 1182 and House Bill 795 of the 2026 General Assembly Session.)

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Item 469 #7h

<b>Central Appropriations</b>	<b>FY26-27</b>	<b>FY27-28</b>	
Central Appropriations	\$80,000,000	\$0	GF

**Language:**

Page 534, line 13, strike "\$164,110,197" and insert "\$244,110,197".  
Page 543, after line 8, insert:  
"V. Included in the appropriation for this item, \$80,000,000 the first year from the general fund is provided for a lump sum deposit into the State Employee Health Insurance Fund no later than July 15, 2026."

**Explanation:**

(This amendment provides \$80.0 million from the general fund in fiscal year 2027 to provide a lump sum deposit into the State Employee Health Insurance Fund. There has been a significant decrease in the Fund's balance over the past year.)

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