

**Key Features – Amendments to Senate Bill 30**  
**Senate Finance and Appropriations Committee**  
**February 22, 2026**

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## Resources

- General fund resources total \$37.7 billion in FY 2027 and \$36.4 billion in FY 2028 with general fund spending of \$37.7 billion in FY 2027 and \$36.4 billion in FY 2028.
  - The Committee's net resource actions total \$3.1 billion, which include the \$305.4 million unappropriated balance as introduced, \$2.3 billion carryforward from FY 2026 assumed in HB 29, \$500.0 million in reported FY 2026 GF cash balance, \$1.9 billion increase in GF revenue, and \$196.9 million increase in transfers to the general fund.
  - Net additional GF spending above the introduced totals \$2.2 billion in FY 2027 and \$890.6 million in FY 2028.
  - The biennial unappropriated balance is \$17.6 million.
- Major tax-related GF revenue actions include:
  - A reduction of \$51.0 million in FY 2027 and \$108.4 million in FY 2028 to increase the state standard deduction from \$8,750 to \$9,200 for single filers and from \$17,500 to \$18,400 for joint filers.
    - Extends the standard deduction and earned income tax credit sunset date to January 1, 2030.
  - A revenue increase of \$317.1 million in FY 2027 and \$778.2 million in FY 2028 from the sales and use tax exemption for data center computer equipment and software (DCSUT) expiring January 1, 2027.

- A revenue increase of \$50.2 million in FY 2027 and \$119.2 million in FY 2028 from SB 542 cannabis and SB 763 sales tax on ammunition.
- Authorizes a tax rebate of \$100 for single filers and \$200 for joint filers, \$499.0 million in FY 2027.

## **Commerce & Trade and Labor**

- Provides an additional \$50.0 million GF the first year for the Housing Trust Fund and directs \$20.6 million of that amount to a two-year pilot for acquisition, construction, or improvement of mixed-income housing.
- Includes additional support of \$10.0 million GF the first year for the Virginia Business Ready Sites Program and transfers the balance of the Virginia Business Ready Sites Acquisition Fund to the Business Ready Sites Program Fund to increase grants for local government site development projects.
- Provides an additional \$13.0 million GF the first year for eviction prevention and diversion programs that link social services and legal aid resources to prevent homelessness.
- Includes capturing \$3.9 million GF each year in interest earnings from Commerce and Trade authorities based on an approximate yearly interest earnings calculation.
- Provides \$2.5 million GF the first year for the Virginia Sports Tourism Incentive Grant Program.

- Includes \$20.0 million GF over the biennium to support the Virginia Clean Energy Innovation Bank to accelerate the deployment of clean energy projects, greenhouse gas emissions reduction projects, and other qualified projects.

## **Public Education**

### Direct Aid

- Provides a net increase of \$579.0 million GF in rebenchmarking and technical updates over the biennium.
- Provides \$190.8 million GF the first year and \$385.3 million GF the second year to support the state share of a 3.0 percent salary increase each year for funded instructional and support positions.
- Endorses \$274.0 million NGF the first year and \$25.0 million NGF the second year to increase support for school construction. The action:
  - Updates the School Construction Fund amount supporting the School Construction Assistance Program grants to reflect an additional \$127.0 million of actual revenue and projected casino revenue; and
  - Appropriates \$172.0 million from the Literary Fund for deposit to the School Construction Fund in support of school construction grants.
- Provides a one-time increase of Literary Fund support for school employee retirement contributions by \$135.0 million NGF the first year and \$100.0 million NGF the second year, creating a corresponding decrease in GF spending.

- Increases the At-Risk Add-On by \$49.4 million the first year and \$69.3 million the second year.
- Provides \$60.0 million NGF the second year to raise the Infrastructure and Operations per pupil amount.
- Provides an additional \$161.4 million GF across the biennium to reflect an increase in sales tax revenues from the DCSUT exemption expiration, reducing the local share of K12 costs.
- Provides \$17.6 million GF across the biennium to increase the school breakfast reimbursement rate by \$0.22 per meal, raising the total reimbursement rate to \$0.50 per meal.
- Provides \$12.8 million GF each year to increase the special education add-on by one percent for each of the two levels of services provided to students.
- Includes \$71.0 million GF the first year and \$66.6 million GF the second year to support additional Child Care Subsidy Program slots with nonparticipation savings from the Virginia Preschool Initiative.
- Includes \$25.0 million GF each year for the Employee Child Care Assistance Program, in line with legislation passed by the Senate.

#### Virginia Department of Education

- Provides \$2.0 million GF across the biennium to provide ongoing support for Virginia Individualized Education Program (IEP) system enhancements.
- Includes \$1.3 million GF across the biennium to support the work of the Joint Subcommittee for Elementary and Secondary Education.

## Virginia School for the Deaf and the Blind

- Provides \$2.2 million GF each year and 27.0 positions to support enrollment growth and increased operating expenses at the Virginia School for the Deaf and the Blind.

## **Other Education**

- Includes \$2.2 million GF and \$6.5 million NGF across the biennium for the Science Museum of Virginia to support start-up and ongoing operations costs at the Northern Virginia Science Center.
- Provides \$1.0 million GF and \$258,064 NGF across the biennium for the Virginia Museum of Fine Arts to support increased information technology, security personnel, and utility costs.
- Includes \$1.0 million GF each year in state aid to local public libraries.

## **Higher Education**

### Institutions

- Includes \$100.0 million GF over the biennium to support operations at the institutions and minimize potential tuition increases on in-state undergraduate students.
- Provides \$50.0 million GF over the biennium for undergraduate need-based financial aid.
- Includes support totaling \$4.8 million GF over the biennium for nursing education programs at James Madison University, Radford University, and the University of Mary Washington.

- Provides \$3.8 million GF each year for healthcare workforce expansion initiatives at Virginia Commonwealth University and Virginia Tech.

#### State Council of Higher Education for Virginia

- Provides \$73.2 million GF over the biennium and \$6.8 million NGF the first year to increase funding for the Workforce Credential Grant Program. NGF funds are transferred from Virginia Community College System balances.
- Includes an additional \$17.3 million GF over the biennium for the Tuition Assistance Grant to maintain awards for the projected increase in the number of eligible students.

## **Health and Human Resources**

#### Medicaid and Children's Health Insurance

- Includes \$2.8 billion GF over the biennium to fund the Medicaid program based on the most recent forecast of expenditures.
  - Adopts \$591.2 million GF savings over the biennium to reflect the impact of various Medicaid savings strategies.
  - Restores \$29.5 million GF savings that provide limited emergency Medicaid coverage of maternity services for women who do not qualify for Medicaid solely based on their citizenship status.
- Includes \$93.6 million GF over the biennium to reflect lower revenue estimates for the Health Care Fund, which is used as the state match for Medicaid.

- Includes a \$90.0 million GF reserve the first year to hedge against increasing Medicaid costs.
- Provides \$80.1 million GF over the biennium to the Family Access to Medical Insurance Security (FAMIS) program based on the latest spending forecast.
- Provides \$81.7 million GF over the biennium to increase rates for developmental disability waiver services pursuant to the permanent injunction with the U.S. Department of Justice.
- Adds \$44.3 million GF the second year to fund an increase in rates for personal, respite and companion care services.
- Includes language delaying the implementation of redesigned behavioral health services until July 1, 2027.
- Adds language delaying the implementation of a single pharmacy benefit manager system until July 1, 2027.

### Children's Services Act

- Adopts \$136.1 million GF over the biennium for the Children's Services Act forecast, which reflects increasing caseloads and the cost of services primarily in private day special education.
  - Includes \$33.4 million GF savings over the biennium by reducing the average state match rate for community-based services from 81.0 percent to 71.0 percent by imposing a limit for private day services rate growth to 2.5 percent and removing automatic inflationary adjustments in rates for private residential treatment facilities.

## Other Health and Human Resources

- Provides \$200.0 million GF the first year to fund subsidies on the individual health insurance market to reduce the impact of coverage losses from higher premiums resulting from the expiration of the federal enhanced premium tax credits.
- Includes \$135.0 million GF the second year for the potential state match on Supplemental Nutrition Assistance Program (SNAP) benefits if the state's payment error rate is higher than 6.0 percent per federal changes in H.R. 1.
  - Adds \$5.6 million GF over the biennium to support efforts to decrease the error rate, including \$2.4 million to fund a SNAP quality assurance team charged with finding and correcting SNAP payment errors before they affect the state's SNAP error rate, \$2.0 million for a vendor to assist in efforts to decrease the SNAP error rate, and \$1.2 million to increase SNAP Quality Control reviewer salaries.
- Provides \$128.6 million GF over the biennium for public health, investments including \$50.0 million for drinking water grants, \$18.0 million to stabilize Ryan White HIV/AIDS services, \$10.0 million to support the free and charitable clinics, \$15.1 million for the Department of Health to complete and sustain an electronic health record system, \$9.3 million to bolster epidemiology efforts at the Department of Health, and \$4.6 million for public health campaigns.
- Provides \$100.4 million GF over the biennium to fund the increase in the state share of the SNAP administrative cost per federal changes in H.R. 1.

- Includes \$23.1 million GF over the biennium to fund substance use disorder order services.
- Provides \$16.9 million GF over the biennium to strengthen child welfare services including \$6.9 million to fund an increase to the salary minimum supporting local departments of social services family services employees, \$3.4 million to provide the Department of Social Services (DSS) with proper tools to hold local departments of social services accountable for providing quality care, and an additional \$3.0 million to support Child Advocacy Centers.
- Adds \$11.4 million GF over the biennium to fund the remaining 13 Community Services Boards to assist in implementing Marcus Alert programs.
- Provides \$3.0 million GF over the biennium for workforce retention efforts supporting brain injury services providers who report high attrition and difficulty filling open positions because of non-competitive salaries and benefits.
- Restores language allowing taxpayer funding for abortion services allowed under state law. (State law permits funds to be used in cases of gross fetal abnormality.)

## **Natural Resources, Agriculture, and Forestry**

- Includes a \$484.8 million GF and \$141.8 million NGF deposit to the Water Quality Improvement Fund (WQIF) in FY 2027 and directs \$340.5 million to the Hampton Roads Sanitation District Treatment Plant Project.

- Provides \$50.0 million GF in FY 2027 for the City of Richmond Combined Sewer Overflow Project.
- Includes \$25.0 million GF in FY 2027 for Soil and Water Conservation District Dam repair.
- Adopts \$43.5 million GF the first year to support the Stormwater Local Assistance Program for projects in localities with municipal separate storm sewer systems.
- Provides \$6.4 million GF the first year to rebuild Lake Shenandoah Dam to pre-failure condition.

## **Public Safety & Veterans Affairs**

- Provides \$32.3 million GF the first year and \$61.5 million GF the second year to support Department of State Police operations, including support for three 100-person trooper training schools.
  - Delays the start of the third funded trooper school until FY 2028 and directs the Department to provide additional information related to personnel expenditures.
- Includes \$28.9 million GF the first year and \$30.8 million GF the second year for increased inmate medical costs at the Department of Corrections.
- Provides \$20.0 million GF for one-time grants to help fiscally distressed localities purchase firefighting equipment and vehicles.
- Includes \$25.1 million GF for additional community violence reduction grants, bringing the total to \$98.4 million over the biennium.

- Provides \$8.2 million GF for a retention bonus for employees working in Department of Corrections and Department of Juvenile Justice facilities.
- Provides \$7.5 million GF in start-up operational funding for the new Puller Veterans Care Center in addition to \$22.5 million GF in one-time start-up funding for veterans care centers provided in the previous biennium.

## **Transportation**

- Expiration of the data center sales and use tax (DCSUT) exemption increases sales tax revenue dedicated to transportation by an estimated \$84.5 million in the first year and \$207.2 million in the second year.
- Provides \$205.7 million over the biennium to support Metro by:
  - Directs the additional Northern Virginia regional transportation sales tax revenue resulting from the expiring DCSUT exemption to the WMATA Capital Fund (\$45.2 million in FY 2027 and \$110.9 million in FY 2028);
  - Increasing the Northern Virginia transient occupancy tax from 3.0 to 4.0 percent, which provides an additional \$34.3 million over the biennium to the WMATA Capital Fund; and
  - Allocating the additional sales tax from the expiring DCSUT through the Mass Transit Fund, which provides an estimated allocation of \$4.4 million in FY 2027 and \$10.9 million in FY 2028 to WMATA.

- Provides \$19.0 million GF the second year for one-time capital assistance for transit systems.
- Includes \$35.0 million GF the first year for design development and site improvements for an inland port at the Oak Park Center for Business and Industry in Washington County, Virginia.

## **General Government**

### Employee Compensation

- Provides \$175.5 million GF the first year and \$385.2 million GF the second year to fund a 3.0 percent salary increase for state employees and a 2.0 percent salary increase for state-supported local employees.
  - State employees would see the salary increase in their August 1 paycheck the first year and July 1 paycheck the second year.
- Includes \$2.1 million the second year for an increase in salary for state legislators to \$50,000, from the current salaries of \$17,640 for Delegates and \$18,000 for Senators.
  - Takes effect in January 2028, after the next election for the members of the General Assembly.

### State Employee Health Insurance

- Provides \$99.4 million GF the first year and \$144.1 million GF the second year to fund the employer's share of state employee health insurance premiums.

- Plan benefit changes include a \$150 prescription drug deductible for COVA Care, requiring use of biosimilars for certain drugs, and assuming a lower negotiated cost for weight loss drugs.

### Debt Service

- Includes \$20.0 million GF in the first year and \$47.8 million GF in the second year to adjust funding for updated estimates of debt service payments.

### Compensation Board (Constitutional Officers)

- Provides \$4.2 million GF in additional state funding for Commonwealth's attorneys' offices.
- Includes \$2.5 million to increase salaries for qualifying local employees in the offices of circuit court clerks, treasurers, and Commonwealth's attorneys as part of the constitutional officer career development program.
- Adopts \$1.4 million GF for additional state-funded administrative positions in sheriffs' offices.

### Central Appropriations

- Includes \$46.7 million in GF savings the first year and \$48.8 million in GF savings the second year to reflect lower employer contribution rates for state employee retirement.
- Adopts \$24.4 million in GF savings the first year and \$25.4 million in GF savings the second year to reflect lower employer contribution rates for the other post-employment benefit programs for state employees.

## Judicial

- Adopts \$21.9 million GF each year to support recent increases in payments from the Criminal Fund, primarily to court-appointed counsel representing indigent defendants, and increase the hourly payment rate for guardians ad litem.
- Provides \$9.3 million GF over the biennium for Judicial Department operations, including \$7.3 million GF to modernize the Appellate case management system.
- Includes \$7.4 million GF to increase support staff in public defender offices.

## Other General Government

- Includes \$7.1 million GF over the biennium to fund salary adjustments for attorneys in the Office of the Attorney General to reduce turnover.
- Provides \$3.3 million GF the first year to fund the replacement of the Department of Elections campaign finance systems.

## **Capital Outlay**

- Provides \$3.3 billion from all funds for capital projects, including \$1.3 billion GF, \$1.1 billion tax-supported debt, \$123.6 million 9(d) revenue bonds, and \$717.0 million from other NGF, including:
  - \$1.9 billion for the 2026 Construction Pool, including \$1.1 billion tax-supported debt, \$676.7 million GF, and \$86.1 million NGF sources;

- \$200.0 million GF cash each year for maintenance reserve allocations;
- \$58.6 million GF for deferred maintenance projects at institutions and agencies;
- \$49.9 million GF cash for equipment for projects 18 months from completion;
- \$40.0 million GF to address deferred maintenance at State Parks;
- \$33.0 million GF for the umbrella project to renovate and repair DBHDS facilities; and
- \$33.0 million GF to continue planning the new State Office Building and demolition of the VDOT Annex on Broad Street.