



Governor Youngkin's Proposed Amendments to the 2022-2024 Biennial Budget

HB 1400 / SB 800

2023 General Assembly Session

*A briefing for the Joint Meeting of the Senate Finance and Appropriations Committee,
the House Appropriations Committee, and the House Finance Committee*

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Summary of Proposed General Fund Appropriation Changes

General Fund Appropriation Changes By Category

| Operating Base Forecast Adjustments | GF FY 2023 | GF FY 2024 | BIENNIUM | Operating Policy Appropriation Changes | GF FY 2023 | GF FY 2024 | BIENNIUM |
|--|------------------|----------------|------------------|---|----------------|------------------|------------------|
| Adjust funding for debt service | \$1.3 | (\$3.2) | (\$1.9) | Economic Development | \$201.9 | \$268.8 | \$470.7 |
| Medicaid and other health care related forecasts | (\$350.3) | \$76.6 | (\$273.7) | Resiliency/Bay | \$200.0 | \$257.3 | \$457.3 |
| Child welfare and TANF UP projections | (\$3.9) | (\$0.4) | (\$4.3) | Public Education and Lab Schools | \$165.9 | \$256.4 | \$422.3 |
| Total, Operating Base Forecast Adjustments | (\$352.8) | \$73.0 | (\$279.8) | State Employee Bonus | \$0.0 | \$199.8 | \$199.8 |
| | | | | Nursing / General Health and Welfare | \$14.4 | \$145.5 | \$159.9 |
| Required Deposits / Amounts Funded By FY 22 | GF FY 2023 | GF FY 2024 | BIENNIUM | Behavioral Health | \$0.0 | \$149.1 | \$149.1 |
| Excess Revenue Collections | | | | Public Safety/Law Enforcement | \$0.1 | \$112.7 | \$112.8 |
| Appropriate mandatory Revenue Stabilization Fund deposit | \$0.0 | \$406.0 | \$406.0 | Unemployment Trust Fund Deposit | \$100.0 | \$0.0 | \$100.0 |
| Provide appropriation to the Water Quality Improvement Fund | \$0.0 | \$87.1 | \$87.1 | Talent/Workforce | \$0.1 | \$63.8 | \$64.0 |
| Support the Enhanced Nutrient Removal Certainty program | \$0.0 | \$43.9 | \$43.9 | Other | (\$11.6) | \$89.1 | \$77.5 |
| Appropriate Virginia Retirement System deposit contingent on fiscal year 2022 revenue collection | \$250.0 | \$0.0 | \$250.0 | Medicaid Public Health Emergency Extension | (\$157.8) | \$53.4 | (\$104.4) |
| Provide general fund surplus dedicated to Interstate 64 improvements between exits 205 and 234 | \$150.0 | \$0.0 | \$150.0 | Total, Operating Policy Changes | \$513.7 | \$1,595.4 | \$2,109.1 |
| Appropriate surplus funds for Business Ready Sites Fund | \$50.0 | \$0.0 | \$50.0 | | | | |
| Appropriate contingent balance to the Major Headquarters Workforce Grant Fund | \$35.5 | \$0.0 | \$35.5 | Total, GF Operating Appropriation Changes | \$645.8 | \$2,205.9 | \$2,851.7 |
| Total, Required Deposits / Amounts Funded By FY 22 Excess Revenue Collections | \$485.5 | \$537.0 | \$1,022.5 | | | | |
| | | | | Capital Outlay GF Appropriation Changes | | | |
| | | | | Supplemental Capital Contingent on FY 2022 revenue collection | \$100.0 | \$0.0 | \$100.0 |
| | | | | Additional Capital Outlay Funding | \$175.5 | \$329.0 | \$504.5 |
| | | | | Total, Capital Outlay GF Appropriation Changes | \$275.5 | \$329.0 | \$604.5 |
| | | | | Total General Fund Appropriation Changes | \$921.3 | \$2,534.9 | \$3,456.2 |

*Amounts shown in millions

Highlights of the Governor's budget

- Back the Governor's commitment to business-ready sites by providing \$450 million for the program. Of this amount \$250 million is contingent on attainment of the 2023 revenue forecast.
- Accelerate Commonwealth investments in workforce development, increasing spending by over \$60 million.
- Redouble efforts to provide each child in Virginia a world-class education, including by expanding the use of reading specialists to 4th and 5th grade and adding math specialists in schools with poor math performance based on SOLs.
- Propose a new Earn to Learn initiative to expand the number of clinicians and clinical settings providing training for nurses, and expand current incentives for nurses to take up and remain in the profession.

Highlights of the Governor's budget (Cont.)

- Provide over \$100 million for public safety, including \$30 million for Operation Bold Blue Line to enhance efforts to recruit law enforcement, \$20 million for additional violence intervention grants through Operation Ceasefire, and almost \$16 million to address compression issues for state police and sheriff's deputies.
- Start a transformation of the behavioral health safety net, proposing almost \$150 million in additional investments in prevention, crisis intervention, and post-crisis care in our schools and communities, including \$58 million to increase the number of Crisis Receiving Centers, and \$20 million to fully fund the recommended number of mobile crisis units.
- Preserve Commonwealth natural resources by adding over \$550 million for resiliency, the Chesapeake Bay, and the agricultural best management practices program.

Economic Development Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|--------------------------|--|--|----------------------|----------------------|----------------------|---------------|
| Commerce and Trade | 312: Economic Development Incentive Payments | Invest in site development | \$200,000,000 | \$250,000,000 | \$450,000,000 | 95.6% |
| Commerce and Trade | 409: Department of Energy | Establish and capitalize the Virginia Power Innovation Fund | \$0 | \$10,000,000 | \$10,000,000 | 2.1% |
| Agriculture and Forestry | 301: Department of Agriculture and Consumer Services | Increase support for the Governor's Agriculture and Forestry Industries Development Fund for agricultural technology | \$1,250,000 | \$1,250,000 | \$2,500,000 | 0.5% |
| Commerce and Trade | 165: Department of Housing and Community Development | Expand the Virginia Main Street program | \$0 | \$2,000,000 | \$2,000,000 | 0.4% |
| Commerce and Trade | 312: Economic Development Incentive Payments | Provide additional appropriation for the Virginia Economic Development Incentive Grant | \$660,000 | \$1,060,000 | \$1,720,000 | 0.4% |
| Commerce and Trade | 310: Virginia Economic Development Partnership | Fund a study on airline service expansion | \$0 | \$1,200,000 | \$1,200,000 | 0.3% |
| Agriculture and Forestry | 301: Department of Agriculture and Consumer Services | Provide funding for agricultural technology research grants | \$0 | \$1,000,000 | \$1,000,000 | 0.2% |
| | | Subtotal, Above Items | \$201,910,000 | \$266,510,000 | \$468,420,000 | 99.5% |
| | | Subtotal of Remaining Economic Development (7) | \$0 | \$2,288,510 | \$2,288,510 | 0.5% |
| | | Grand Total of All Economic Development | \$201,910,000 | \$268,798,510 | \$470,708,510 | 100.0% |

**Does not include \$50 million in additional Business Ready Sites and an additional \$35.5 million to the Major Headquarters Grant Fund both paid for from FY 2022 contingent appropriations per Par. L of Item 485, Chapter 2.

Talent / Workforce Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|--|--|--|------------------|---------------------|---------------------|---------------|
| Commerce and Trade | 165: Department of Housing and Community Development | Increase support for the Go Virginia Talent Pathways | \$0 | \$24,500,000 | \$24,500,000 | 33.1% |
| Education | 260: Virginia Community College System | Increase availability of industry recognized credentials to high school students | \$0 | \$15,000,000 | \$15,000,000 | 20.3% |
| Commerce and Trade | 165: Department of Housing and Community Development | Provide additional workforce funding for Go Virginia | \$0 | \$10,000,000 | \$10,000,000 | 13.5% |
| Central Appropriations | 995: Central Appropriations | Increase funding for the Innovative Internship Fund and Program | \$0 | \$5,000,000 | \$5,000,000 | 6.8% |
| Education | 260: Virginia Community College System | Promote awareness of G3 and FastForward | \$0 | \$3,000,000 | \$3,000,000 | 4.1% |
| Education | 260: Virginia Community College System | Establish or expand career placement centers | \$0 | \$3,000,000 | \$3,000,000 | 4.1% |
| Commerce and Trade | 165: Department of Housing and Community Development | Support workforce needs in agricultural technology industries | \$0 | \$1,300,000 | \$1,300,000 | 1.8% |
| Subtotal, Above Items | | | \$0 | \$61,800,000 | \$61,800,000 | 96.6% |
| Subtotal of Remaining Talent / Workforce (7) | | | \$145,963 | \$2,012,806 | \$2,158,769 | 3.4% |
| Grand Total of All Talent / Workforce | | | \$145,963 | \$63,812,806 | \$63,958,769 | 100.0% |

Public Education / Lab Schools Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|------------------|-------------------------------------|---|----------------------|----------------------|----------------------|---------------|
| Education | 197: Direct Aid to Public Education | Update sales tax revenue for public education | \$90,474,422 | \$77,507,889 | \$167,982,311 | 45.1% |
| Education | 197: Direct Aid to Public Education | Update Average Daily Membership projections based on actual Fall Membership | \$28,389,627 | \$42,826,514 | \$71,216,141 | 19.1% |
| Education | 197: Direct Aid to Public Education | Support performance pay for top performing teachers | \$0 | \$50,000,000 | \$50,000,000 | 13.4% |
| Education | 197: Direct Aid to Public Education | Increase funding for college partnership laboratory schools | \$50,000,000 | \$0 | \$50,000,000 | 11.8% |
| Education | 197: Direct Aid to Public Education | Provide retention bonus for instructional and support positions | \$0 | \$45,152,262 | \$45,152,262 | 12.1% |
| Education | 197: Direct Aid to Public Education | Expand reading specialist staffing standard to 4th and 5th grades | \$0 | \$16,868,870 | \$16,868,870 | 4.5% |
| Education | 197: Direct Aid to Public Education | Support teacher recruitment incentives for hard-to-fill positions and hard-to-staff schools | \$0 | \$10,000,000 | \$10,000,000 | 2.7% |
| Education | 197: Direct Aid to Public Education | Support math specialists for grades kindergarten through eight | \$0 | \$7,200,991 | \$7,200,991 | 1.9% |
| | | Subtotal, Above Items | \$168,864,049 | \$249,556,526 | \$418,420,575 | 99.1% |
| | | Subtotal of Remaining Public Education / Lab Schools (16) | (\$2,989,648) | \$6,883,803 | \$3,894,155 | 0.9% |
| | | Grand Total of All Public Education / Lab Schools | \$165,874,401 | \$256,440,329 | \$422,314,730 | 100.0% |

Nursing Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|-------------------------------------|--------------------------------|--|------------|---------------------|---------------------|---------------|
| Health and Human Resources | 601: Department of Health | Establish the Earn to Learn Nursing Education Acceleration program grant | \$0 | \$30,000,000 | \$30,000,000 | 60.2% |
| Health and Human Resources | 601: Department of Health | Enhance the Nurse Preceptor Incentive Program | \$0 | \$10,000,000 | \$10,000,000 | 20.1% |
| Health and Human Resources | 601: Department of Health | Establish psychiatric nursing graduate education loan repayment program | \$0 | \$5,000,000 | \$5,000,000 | 10.0% |
| Public Safety and Homeland Security | 799: Department of Corrections | Fund additional nursing positions to provide 24-hour medical coverage | \$0 | \$3,846,557 | \$3,846,557 | 7.7% |
| Health and Human Resources | 601: Department of Health | Provide additional support for the nursing scholarships and loan repayment program | \$0 | \$1,000,000 | \$1,000,000 | 2.0% |
| Total, Nursing | | | \$0 | \$49,846,557 | \$49,846,557 | 100.0% |

Major Public Safety / Law Enforcement Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|--|--|---|------------------|----------------------|----------------------|---------------|
| Public Safety and Homeland Security | 140: Department of Criminal Justice Services | Fund Operation Bold Blue Line Initiative | \$0 | \$30,000,000 | \$30,000,000 | 26.6% |
| Public Safety and Homeland Security | 140: Department of Criminal Justice Services | Provide additional appropriation for the Operation Ceasefire Grant Fund | \$0 | \$20,000,000 | \$20,000,000 | 17.7% |
| Administration | 157: Compensation Board | Provide a compression adjustment for sworn deputy sheriffs and regional jail officers | \$0 | \$13,894,938 | \$13,894,938 | 12.3% |
| Public Safety and Homeland Security | 140: Department of Criminal Justice Services | Establish the Virginia Mass Violence Care Fund | \$0 | \$10,000,000 | \$10,000,000 | 8.9% |
| Public Safety and Homeland Security | 799: Department of Corrections | Provide funding for salary increases for security positions not included in Chapter 2 | \$0 | \$8,317,554 | \$8,317,554 | 7.4% |
| Public Safety and Homeland Security | 799: Department of Corrections | Provide additional funding for the operation of Lawrenceville Correctional Center | \$0 | \$5,300,000 | \$5,300,000 | 4.7% |
| Public Safety and Homeland Security | 156: Department of State Police | Provide general fund appropriation for sworn law enforcement positions | \$0 | \$3,291,531 | \$3,291,531 | 2.9% |
| Public Safety and Homeland Security | 777: Department of Juvenile Justice | Appropriate funds to lease and operate three local juvenile detention centers | \$0 | \$2,927,069 | \$2,927,069 | 2.6% |
| Executive Offices | 141: Attorney General and Department of Law | Provide support for witness protection program | \$0 | \$2,500,000 | \$2,500,000 | 2.2% |
| Agriculture and Forestry | 301: Department of Agriculture and Consumer Services | Establish hemp registration and inspection program | \$0 | \$2,172,909 | \$2,172,909 | 1.9% |
| Subtotal, Above Items | | | \$0 | \$98,404,001 | \$98,404,001 | 87.2% |
| Subtotal of Remaining Law Enforcement (31) | | | \$123,634 | \$14,317,185 | \$14,440,819 | 12.8% |
| Grand Total of All Law Enforcement | | | \$123,634 | \$112,721,186 | \$112,844,820 | 100.0% |

Behavioral Health Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|---|---|--|------------|----------------------|----------------------|---------------|
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Increase funding for comprehensive crisis services system | \$0 | \$58,345,204 | \$58,345,204 | 39.1% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Pursue hospital-based psychiatric emergency alternatives | \$0 | \$20,000,000 | \$20,000,000 | 13.4% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Provide one-time funds for mobile crisis units | \$0 | \$20,000,000 | \$20,000,000 | 13.4% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Expand school-based mental health pilot | \$0 | \$15,000,000 | \$15,000,000 | 10.1% |
| Education | 245: State Council of Higher Education for Virginia | Support student mental health services | \$0 | \$9,000,000 | \$9,000,000 | 6.0% |
| Health and Human Resources | 792: Mental Health Treatment Centers | Fund salary alignments for critical positions | \$0 | \$8,673,252 | \$8,673,252 | 5.8% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Expand housing opportunities for individuals with serious mental illness | \$0 | \$8,000,000 | \$8,000,000 | 5.4% |
| Administration | 157: Compensation Board | Provide resources for court ordered transportations in temporary detention order and emergency custody order cases | \$0 | \$4,074,631 | \$4,074,631 | 2.7% |
| Health and Human Resources | 601: Department of Health | Enhance the Behavioral Health Loan Repayment Program | \$0 | \$2,500,000 | \$2,500,000 | 1.7% |
| Health and Human Resources | 602: Department of Medical Assistance Services | Add 20 psychiatric residencies through graduate medical education | \$0 | \$1,000,000 | \$1,000,000 | 0.7% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Support Off-Duty Officer program | \$0 | \$1,000,000 | \$1,000,000 | 0.7% |
| Subtotal, Above Items | | | \$0 | \$147,593,087 | \$147,593,087 | 99.0% |
| Subtotal of Remaining Behavioral Health (9) | | | \$0 | \$1,543,980 | \$1,543,980 | 1.0% |
| Grand Total of All Behavioral Health | | | \$0 | \$149,137,067 | \$149,137,067 | 100.0% |

Resiliency / Bay Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|--------------------------------|--|--|----------------------|----------------------|----------------------|---------------|
| Natural and Historic Resources | 199: Department of Conservation and Recreation | Provide additional funding for the Resilient Virginia Revolving Loan Fund | \$100,000,000 | \$100,000,000 | \$200,000,000 | 43.7% |
| Natural and Historic Resources | 440: Department of Environmental Quality | Provide additional funding for the Enhanced Nutrient Removal Certainty Program | \$0 | \$107,058,659 | \$107,058,659 | 23.4% |
| Natural and Historic Resources | 440: Department of Environmental Quality | Provide additional funding for the Richmond Combined Sewer Overflow project | \$100,000,000 | \$0 | \$100,000,000 | 21.9% |
| Natural and Historic Resources | 199: Department of Conservation and Recreation | Provide supplemental funding to support agriculture best management practices | \$0 | \$50,000,000 | \$50,000,000 | 10.9% |
| Total, Resiliency / Bay | | | \$200,000,000 | \$257,058,659 | \$457,058,659 | 100.0% |

**Does not include \$43.9 million in support of enhanced nutrient removal funded by the FY 22 surplus via the required Water Quality Improvement Fund (WQIF) deposit and the balance of the WQIF required deposit of \$87.1 million. Also does not include an additional \$86.1 million for enhanced nutrient removal to be funded through a proposed reallocation of ARPA State and Local Fiscal Recovery Funds.

Other General Health and Welfare Amendments

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Category |
|---|--|---|---------------------|---------------------|----------------------|---------------|
| Health and Human Resources | 602: Department of Medical Assistance Services | Increase rates for personal care, respite, and companion services | \$0 | \$41,616,322 | \$41,616,322 | 37.5% |
| Health and Human Resources | 602: Department of Medical Assistance Services | Add 500 developmental disability waiver slots | \$0 | \$15,155,118 | \$15,155,118 | 13.6% |
| Commerce and Trade | 165: Department of Housing and Community Development | Support local housing inspection programs | \$0 | \$10,000,000 | \$10,000,000 | 9.0% |
| Health and Human Resources | 765: Department of Social Services | Implement Office of the State Inspector General child protective services audit recommendations | \$0 | \$8,274,569 | \$8,274,569 | 7.5% |
| Health and Human Resources | 765: Department of Social Services | Provide funding for Supplemental Nutrition Assistance Program overissuance repayment | \$6,105,940 | \$0 | \$6,105,940 | 5.5% |
| Natural and Historic Resources | 440: Department of Environmental Quality | Support upgrades at Poor Creek Pump Station | \$5,500,000 | \$0 | \$5,500,000 | 5.0% |
| Education | 236: Virginia Commonwealth University | Pursue Massey Cancer Center Comprehensive status | \$0 | \$5,000,000 | \$5,000,000 | 4.5% |
| Health and Human Resources | 601: Department of Health | Provide required state match funding for drinking water infrastructure projects | \$0 | \$3,373,581 | \$3,373,581 | 3.0% |
| Health and Human Resources | 765: Department of Social Services | Fund foster care and adoption cost of living adjustments | \$0 | \$2,287,785 | \$2,287,785 | 2.1% |
| Subtotal, Above Items | | | \$11,605,940 | \$85,707,375 | \$97,313,315 | 87.6% |
| Subtotal of Remaining General Health and Welfare (34) | | | \$2,808,345 | \$10,926,610 | \$13,734,955 | 12.4% |
| Grand Total of All General Health and Welfare | | | \$14,414,285 | \$96,633,985 | \$111,048,270 | 100.0% |

The Top 15 GF Policy Spending Amendments Make Up 80% of The Biennial Total

| Secretarial Area | Agency | Title | GF FY 2023 | GF FY 2024 | Biennial Total | % Of Total |
|-----------------------------------|---|--|----------------|------------------|------------------|---------------|
| Commerce and Trade | 312: Economic Development Incentive Payments | Invest in site development | \$200.0 | \$250.0 | \$450.0 | 21.3% |
| Natural and Historic Resources | 199: Department of Conservation and Recreation | Provide additional funding for the Resilient Virginia Revolving Loan Fund | \$100.0 | \$100.0 | \$200.0 | 9.5% |
| Education | 197: Direct Aid to Public Education | Update sales tax revenue for public education | \$90.5 | \$77.5 | \$168.0 | 8.0% |
| Natural and Historic Resources | 440: Department of Environmental Quality | Provide additional funding for the Enhanced Nutrient Removal Certainty Program | \$0.0 | \$107.1 | \$107.1 | 5.1% |
| Natural and Historic Resources | 440: Department of Environmental Quality | Provide additional funding for the Richmond Combined Sewer Overflow project | \$100.0 | \$0.0 | \$100.0 | 4.7% |
| Central Appropriations | 995: Central Appropriations | Provide funding for merit bonus payment for state employees | \$0.0 | \$100.0 | \$100.0 | 4.7% |
| Labor | 182: Virginia Employment Commission | Provide funds for deposit to the Unemployment Insurance Trust Fund | \$100.0 | \$0.0 | \$100.0 | 4.7% |
| Central Appropriations | 995: Central Appropriations | Provide one-time bonus payments to state employees | \$0.0 | \$99.8 | \$99.8 | 4.7% |
| Education | 197: Direct Aid to Public Education | Update Average Daily Membership projections based on actual Fall Membership | \$28.4 | \$42.8 | \$71.2 | 3.4% |
| Health and Human Resources | 720: Department of Behavioral Health and Developmental Services | Increase funding for comprehensive crisis services system | \$0.0 | \$58.3 | \$58.3 | 2.8% |
| Education | 197: Direct Aid to Public Education | Support performance pay for top performing teachers | \$0.0 | \$50.0 | \$50.0 | 2.4% |
| Education | 197: Direct Aid to Public Education | Increase funding for college partnership laboratory schools | \$50.0 | \$0.0 | \$50.0 | 2.4% |
| Natural and Historic Resources | 199: Department of Conservation and Recreation | Provide supplemental funding to support agriculture best management practices | \$0.0 | \$50.0 | \$50.0 | 2.4% |
| Education | 197: Direct Aid to Public Education | Provide retention bonus for instructional and support positions | \$0.0 | \$45.2 | \$45.2 | 2.1% |
| Health and Human Resources | 602: Department of Medical Assistance Services | Increase rates for personal care, respite, and companion services | \$0.0 | \$41.6 | \$41.6 | 2.0% |
| *Amounts shown in millions | | Subtotal of Top 15 GF Policy Amendments | \$668.9 | \$1,022.3 | \$1,691.1 | 80.2% |
| | | Subtotal of Remaining GF Policy Amendments (246) | (\$155.2) | \$573.1 | \$417.9 | 19.8% |
| | | Grand Total of All GF Policy Amendments | \$513.7 | \$1,595.4 | \$2,109.1 | 100.0% |

The Introduced Budget Includes Triggers in the Event a Recession is Deeper Than Forecasted

- The introduced budget bill includes over \$1 billion in contingent GF appropriation and tax policy changes. The FY 2024 allotment or enactment of these actions is dependent on meeting revenue estimates in FY 2023.

| Secretarial Area | Agency | Title | FY 2024 |
|-----------------------------------|--|---|------------------|
| Finance | 161: Department of Taxation | Reduction in the top marginal individual income tax rate from 5.75% to 5.5% | \$333.3 |
| Commerce and Trade | 312: Economic Development Incentive Payments | Additional funding for site development | \$250.0 |
| Natural and Historic Resources | 199: Department of Conservation and Recreation | Additional funding for the Resilient Virginia Revolving Loan Fund | \$100.0 |
| Central Appropriations | 995: Central Appropriations | State employee performance bonus | \$100.0 |
| Central Appropriations | 949: Central Capital Outlay | Additional Capital Outlay Supplement | \$300.0 |
| *Amounts shown in millions | | | \$1,083.3 |

- In addition to the above amounts, the introduced budget includes a transfer of \$128 million from the General Fund to the Taxpayer Relief Fund to assist in ensuring the continuity of tax policy changes included in this budget.

Summary of Proposed Capital Outlay Changes

Capital Outlay – 2022-24 Biennium Amendments

Dollars in millions

| | |
|--|---|
| <p><u>Fund 12 systems upgrades, facility repairs, and life/safety projects</u> <i>Funding to: renovate historic campus (WM), replace Andrews Hall roof (VIMS), replace chillers (LU), upgrade ADA accessibility, Tidewater (VCCS), improve safety and security at Eastern State Hospital (DBHDS), install duress systems (DBHDS), replace underground storage tanks (DCR), support state share of Loudoun County detention center expansion/renovation and Albemarle-Charlottesville Regional Jail renovation (TRS), replace fire alarm system at Sitter and Barfoot Veterans Care Center (DVS), and provide additional maintenance reserve to NSU and VSU</i></p> | <p>\$61.5 GF, \$21.7 VPBA, \$4.5 NGF</p> |
| <p><u>Fund economic development projects and new facilities</u> <i>Funding to: construct a high performance data facility at Thomas Jefferson National Accelerator Facility, acquire land to expand Rocket Lab facilities (VCSFA), improve and convey property for market value to Clarke County (DGS), and construct Chesterfield probation and parole office (DOC)</i></p> | <p>\$60.3 GF</p> |
| <p><u>Address Capitol Square area facilities</u> <i>Funding to: demolish and stabilize site at 7th and Main St (DGS), and further plan new Commonwealth Courts Building and demolish portions of the Pocahontas Building (DGS)</i></p> | <p>\$22.0 GF</p> |
| <p><u>Supplement existing projects</u></p> <ul style="list-style-type: none"> • <i>Funding pooled to supplement existing authorized projects in the amount of \$100 million pursuant to 2022 Appropriation Act, based upon fiscal year 2022 revenue conditions that have been met;</i> • <i>Funding pooled to supplement existing authorized projects in the amount of \$300 million, contingent upon fiscal year 2023 revenue collections; and</i> • <i>Funding to directly supplement projects to renovate an elevated water tank (DJJ), renovate Eastern State Hospital (DGS), replace fire Alarms at DBHDS facilities (DGS), fund DOC infrastructure needs, and improve Readiness Centers (DMA)</i> | <p>\$420.2 GF</p> |

Capital Outlay – 2022-24 Biennium Amendments, cont.

| | |
|---|--------------------------------------|
| <p><u>Authorize federal funding request and treasury loan for Veterans Care Centers</u> <i>Language to: authorize the Department of Veterans Services to request federal funding to construct new Veterans Care Center in Roanoke and renovate the Sitter and Barfoot Veterans Care Center in Richmond and utilize a treasury loan for the state share of project costs if federal funding is authorized</i></p> | - |
| <p><u>Fund planning for eight projects</u></p> <ul style="list-style-type: none"> • <i>Funding for detailed planning to: expand Virginia Tech-Carilion School of Medicine and Fralin Biomedical Research Institute, renovate Virginia Hall (VSU), construct new PERT facility (WWRC), and renovate facilities for ChalleNGe Program (DMA);</i> • <i>Additional funding for detailed planning to support scope change for existing project to construct Division Six headquarters (VSP);</i> • <i>Funding for pre-planning to construct new state laboratory (DGS), and construct new School of Dentistry (VCU);</i> • <i>Funding to prepare working drawings for Readiness Centers to leverage future federal funding (DMA)</i> | \$6.5 GF, \$6.8 NGF |
| <p><u>Fund equipment for nine previously authorized projects</u> <i>Equipment Funding to: construct integrated science center (WM), renovate physics building (UVA), renew Alderman Library (UVA), renovate/convert Wyllie Library (UVA/CW), construct advanced technical training center at Piedmont CC (VCCS), construct undergraduate lab building (VT), renovate library and resource center (DBVI), renovate campgrounds (DCR), construct Roanoke Readiness Center (DMA)</i></p> | \$34.1 GF, \$0.9 NGF |
| <p><u>Fund nine projects at institutions of higher education and other agencies from institutional revenue bonds and other nongeneral fund sources</u> <i>5 projects at institutions of higher education funded with revenue bonds; 4 projects funded from other nongeneral fund sources</i></p> | \$98.4 9(d), \$199.5m NGF |
| <p>Capital Grand Total: \$604.5 GF, \$21.7 VPBA, \$98.4 9(d), \$211.7 NGF Dollars in millions</p> | |

American Rescue Plan Act State and Local Fiscal Recovery Fund Allocations

American Rescue Plan Act – State and Local Fiscal Recovery Fund Allocations

- Virginia received \$4.3 billion from the State and Local Fiscal Recovery Fund (SLFRF) under ARPA.
- Chapters 1 and 2 (2022 Special Session I) allocated \$4.2 billion of this amount, leaving a balance of \$15.4 million.
- Agencies have subsequently identified a total of \$114.1 million of prior allocations that could be reprogrammed because the funds could not be used as intended or the projects were completed with resources remaining.
- As a result, a total of \$129.5 million is allocated for new uses in the introduced budget bill, with most going to the Enhanced Nutrient Removal Program (\$86.1 million), efforts to redetermine Medicaid eligibility at the end of the federally declared public health emergency (\$30.0 million), and support of current appeals staffing levels and information technology at the Virginia Employment Commission (\$12.4 million).

For More Details About Governor Youngkin's Introduced Budget Amendments

Please refer to the Department of Planning and Budget's website:

<http://dpb.virginia.gov/>