

## Office of Commerce and Trade

### Economic Development Incentive Payments

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

#### Revert appropriation for a major energy related economic development project

Reverts appropriation provided for an energy related economic development project. This project was supported through the Virginia Clean Energy Innovation Bank under the Department of Energy.

	2025	2026
GF Resources	\$0	\$1,000,000

#### Revert unobligated balances for the inland port project

Reverts unutilized general fund appropriation provided for the development of an inland port in the Mount Rogers Planning District. A more than offsetting amount of additional funding is provided for this project in the 2026-2028 introduced budget.

	2025	2026
GF Resources	\$0	\$9,750,000

#### Adjust grant payment schedule for the Financial Services Expansion Fund

Shifts appropriation to correspond with the updated payment schedule for the Financial Services Expansion Fund.

	2025	2026
General Fund	\$0	(\$1,404,243)

#### Adjust payments for the Virginia Investment Performance Grant

Reduces appropriation for deposit to the fund as a result of a cancelled project.

	2025	2026
General Fund	\$0	(\$400,000)

### Department of Housing and Community Development

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

#### Realize one-time savings through unobligated balances in the GO Virginia Program

Captures a portion of unobligated balances in the Virginia Growth and Opportunity Fund.

	2025	2026
GF Resources	\$0	\$10,000,000

#### Revert unobligated year-end balance from Enterprise Zone funding

Captures unobligated balances in the Enterprise Zone program.

	2025	2026
GF Resources	\$0	\$9,020,150

### Department of Energy

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

#### Capture Renewable Energy Certificate revenue

Transfers unobligated balances in the Virginia Clean Energy Innovation Bank Fund to the general fund. The Fund consists of revenue generated from the sale of Renewable Energy Certificates.

	2025	2026
GF Resources	\$0	\$2,234,476

### Virginia Innovation Partnership Authority

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

#### Receive the Opioid Overdose Reversal Agent Program from the Department of Health

Provides a one-time appropriation from the Commonwealth Opioid Abatement and Remediation Fund to administer a manufacturing program for a quality, lowest sustainable cost opioid overdose reversal agent nasal spray. A companion amendment removes this funding from the Virginia Department of Health.

	2025	2026
Nongeneral Fund	\$0	\$16,000,000

## Office of Education

### Direct Aid to Public Education

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

##### Update Average Daily Membership projections

Updates Average Daily Membership projections based on actual Fall Membership data submitted by local school divisions in fall 2025, which is lower than the enrollment assumed in Chapter 725, 2025 Acts of Assembly.

	2025	2026
General Fund	\$0	(\$110,640,906)

##### Update Categorical programs

Adjusts funding for educational programs that are not included in the Standards of Quality. State or federal statutes or regulations mandate most categorical programs. These adjustments update the cost of continuing the current programs with the required data revisions.

	2025	2026
General Fund	\$0	\$55,690

##### Update English Language Learner data

Updates the cost of the English Learner Teacher Standards of Quality program to reflect updated data for verified English learners, including updated proficiency level data.

	2025	2026
General Fund	\$0	(\$30,164,930)

##### Update Fall Membership data in Direct Aid program formulas

Updates the Fall Membership data used in certain Direct Aid to Public Education program funding formulas based on actual data submitted by school divisions in fall 2025.

	2025	2026
General Fund	\$0	(\$1,135,947)

##### Update Incentive Programs

Adjusts funding for certain educational programs that exceed the foundation of the Standards of Quality. These programs are designed to address educational needs of specific targeted student populations. Funding for these programs is primarily formula-driven and subject to changes in membership, participation rates, and test scores.

	2025	2026
General Fund	\$0	(\$7,233,835)

##### Update Lottery proceeds for public education

Adjusts funding to reflect an increase in the estimate of new Lottery proceeds transfers from \$875.3 million to \$923.6 million. The Lottery proceeds appropriation also includes \$24.0 million in cash balances that was appropriated in Chapter 725.

	2025	2026
General Fund	\$0	(\$48,291,508)
Nongeneral Fund	\$0	\$48,291,515

##### Update Lottery supported programs

Adjusts funding for Lottery-funded programs based on actual and updated projections for participation.

	2025	2026
General Fund	\$0	(\$3,934,920)

##### Update Remedial Summer School program participation

Updates the cost of the Remedial Summer School Standards of Quality program to reflect actual data reported by local school divisions.

	2025	2026
General Fund	\$0	(\$3,996,186)

##### Update sales tax revenues for public education

Updates funding provided to local school divisions based on the November 2025 sales tax forecast.

	2025	2026
General Fund	\$0	(\$2,222,588)

##### Update supplemental education programs

Updates state support for the National Board Certification Bonus program based on the projected number of staff eligible for this bonus in 2026.

	2025	2026
General Fund	\$0	(\$197,500)

##### Support bonus payment for instructional and support staff

Provides the state share of a two percent bonus, effective June 1, 2026, for funded Standards of Quality, Academic Year Governor's School Program, and Regional Alternative Education Program instructional and support positions.

	2025	2026
General Fund	\$0	\$106,464,312

2026 Introduced Caboose Bill - 2024-2026 Biennium

Redirect Literary Fund for continued state support of school construction

Modifies the amount from the Literary Fund designated for school construction loans in the 2024-2026 biennium to \$78 million, which reflects the amount approved by the Board of Education to date. A corresponding amendment in the Governor's Introduced 2026-2028 biennial budget appropriates \$172 million from the Literary Fund and an additional \$127 million from the School Construction Fund to the School Construction Assistance Grant Program, resulting in \$299 million of additional state support for school construction grants.

State Council of Higher Education for Virginia

Operating Budget Changes

Introduced Budget Non-Technical Changes

Appropriate general fund surplus dedicated to waiver programs

Appropriates excess 2025 general fund revenues reserved by the Comptroller in the Committed Fund Balance pursuant to Item 470 of Chapter 725, 2025 Acts of Assembly, and dedicated to offset the impact of waiver programs.

	2025	2026
General Fund	\$0	\$20,000,000

Virginia Community College System

Operating Budget Changes

Introduced Budget Non-Technical Changes

Support increased enrollment in the Workforce Credential Grant Program

Directs a one-time transfer of \$13.6 million from the agency's educational and general program cash balances to the State Council of Higher Education for Virginia for deposit to the New Economy Workforce Credential Grant Fund. A corresponding amendment in the Governor's Introduced 2026-2028 biennial budget appropriates this amount to support increased enrollment in the New Economy Workforce Credential Grant Program (FastForward) in 2027.

# Office of Finance

## Department of Accounts Transfer Payments

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Appropriate required Revenue Reserve Fund deposit

Provides the required deposit to the Revenue Reserve Fund.

	2025	2026
General Fund	\$0	\$312,330,340
GF Resources	\$0	\$323,393,000

## Department of Taxation

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Transfer appropriation for costs associated with the replacement of the Department of Taxation's Integrated Revenue Management System

Amends language to allow the Department of Taxation to move the \$131 million appropriated for IRMS replacement from General Fund to a Special Fund.

## Treasury Board

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Capture debt service savings

Decreases funding for debt service on bonds issued by the Virginia Public Building Authority and the Virginia College Building Authority for capital projects and higher education equipment authorized for bond financing.

	2025	2026
General Fund	\$0	(\$18,648,168)

## Office of Health and Human Resources

### Children's Services Act

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

##### Fund the Children's Services Act forecast

Funds the projected costs of services provided through the Children's Services Act.

	2025	2026
General Fund	\$0	\$20,731,180

### Department of Health

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

##### Transfer Opioid Overdose Reversal Agent Program to the Virginia Innovation Partnership Authority

Transfers the Opioid Overdose Reversal Agent Program to the Virginia Innovation Partnership Authority.

	2025	2026
Nongeneral Fund	\$0	(\$8,000,000)

##### Restrict taxpayer funding for abortion services

Prohibits any funding in the budget from being used for abortion services unless otherwise required by federal law.

### Department of Medical Assistance Services

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

##### Adjust Health Care Fund appropriation

Modifies appropriation in the Virginia Health Care Fund to reflect the latest revenue estimates and prior year cash balance. Since the Health Care Fund is used as state match for Medicaid, any increase in revenue offsets general fund support for Medicaid and any decrease requires additional general fund dollars.

	2025	2026
General Fund	\$0	\$4,569,538
Nongeneral Fund	\$0	(\$4,569,538)

##### Fund Family Access to Medical Insurance Security utilization and inflation

Adjusts funding for the Family Access to Medical Insurance Security program to reflect the latest forecast of expenditures as projected by the Department of Medical Assistance Services.

	2025	2026
General Fund	\$0	\$16,193,616
Nongeneral Fund	\$0	\$36,516,513

##### Fund Medicaid utilization and inflation

Provides funding for the cost of Medicaid utilization and inflation as estimated in the most recent expenditure forecast as projected by the Department of Medical Assistance Services.

	2025	2026
General Fund	\$0	\$410,305,498
Nongeneral Fund	\$0	\$758,111,628

##### Fund medical assistance services for low-income children utilization and inflation

Adjusts funding for the Commonwealth's Medicaid Children's Health Insurance Program to reflect the latest expenditure forecast as projected by the Department of Medical Assistance Services.

	2025	2026
General Fund	\$0	(\$8,922,388)
Nongeneral Fund	\$0	(\$9,879,889)

##### Implement federal community engagement and eligibility verification requirements

Provides funding to begin implementation of federal community engagement and eligibility verification requirements pursuant to H.R. 1, 119th Congress (2025-2026).

	2025	2026
Nongeneral Fund	\$0	\$2,500,000

##### Remove duplicative members enrolled in other states

Accounts for savings from removal of individuals currently enrolled in Virginia's medical assistance programs who have coverage in other states.

	2025	2026
General Fund	\$0	(\$6,247,833)
Nongeneral Fund	\$0	(\$15,499,551)

## Department of Behavioral Health and Developmental Services

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

**Capture excess one-time mandatory carryforward funds for crisis services**  
Captures one-time excess funds for crisis services that were appropriated in previous years and carried forward into 2026. This reduction right-sizes the appropriation to support the costs of establishing crisis services that can be sustained by available ongoing funding and will not impact planned expenditures for crisis services.

	2025	2026
GF Resources	\$0	\$23,064,259

## Department of Social Services

### Operating Budget Changes

#### Introduced Budget Technical Changes

**Appropriate nongeneral funds for local staff and operations**  
Appropriates the nongeneral fund portion of the 2026 salary increases for state-supported local employees and increases the federal appropriation for pass through funding at local departments of social services.

	2025	2026
Nongeneral Fund	\$0	\$30,596,218

#### Introduced Budget Non-Technical Changes

**Fund the child welfare forecast**  
Adjusts funding for the cost of providing foster care and adoption subsidy payments based on recent expenditure trends and the impact of child welfare policy changes.

	2025	2026
General Fund	\$0	(\$4,413,615)
Nongeneral Fund	\$0	(\$4,306,471)

#### Fund the Temporary Assistance for Needy Families benefits and Virginia Initiative for Education and Work childcare forecast

Updates appropriation to properly account for the anticipated cost of providing mandated Temporary Assistance for Needy Families benefits, which includes cash assistance payments, employment services, and Virginia Initiative for Education and Work child care. This package also includes adjustments to the Unemployed Parents program.

	2025	2026
Nongeneral Fund	\$0	(\$2,350,835)

#### Fund increase for centralized printing, postage, and courier services

Funds increased costs related to postage rate increases and labor.

	2025	2026
General Fund	\$0	\$605,230
Nongeneral Fund	\$0	\$605,230

#### Remove mandatory carryforward funding for the Comprehensive Child Welfare Information System

Removes funding carried forward from 2025 into 2026 for the comprehensive child welfare information system due to a lag in the development process.

	2025	2026
GF Resources	\$0	\$7,121,181

#### Update language to contract directly with Latisha's House

Updates language to require the agency to contract directly with Latisha's House to provide transitional housing services to female survivors of sex trafficking.

# Office of Natural and Historic Resources

## Department of Conservation and Recreation

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

Transfer unobligated balances to the general fund		2025	2026
Captures savings by transferring unobligated amounts in the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund to the general fund.	GF Resources	\$0	\$25,000,000

## Department of Environmental Quality

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Delineate additional Water Quality Improvement Fund reporting and prioritization requirements

Modifies language to require the department to run an annual Water Quality Improvement Fund solicitation process, report qualifying projects for potential funding by October 1, and ensure that grant agreements are executed before construction and not used to reimburse costs covered by taxable debt.

# Office of Public Safety and Homeland Security

## Department of Corrections

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Increase funding for inmate medical costs

Provides funding for increased medical costs for inmates based on updated projections.

	2025	2026
General Fund	\$0	\$24,905,558

## Department of State Police

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

##### Provide additional support for operations

Provides additional general fund support to cover increased personnel, equipment, and information technology costs.

	2025	2026
General Fund	\$0	\$50,264,436



# Office of Transportation

## Department of Aviation

### Operating Budget Changes

#### Introduced Budget Non-Technical Changes

**Authorize procurement of replacement aircraft**

Authorizes nongeneral fund appropriation for the agency to purchase a comparable executive aircraft to replace one of the two 2007 King Air 350 planes currently owned by the department, and to trade-in or sell one of its existing aircraft that is beyond its reliable age and warrants replacement.

	2025	2026
Nongeneral Fund	\$0	\$11,000,000

## Department of Motor Vehicles

### Capital Outlay Budget Changes

#### Introduced Budget Non-Technical Changes

**Modify scope of headquarters renovation project**

Modifies the scope of the Department of Motor Vehicles headquarters renovation project to permit the sale of the current headquarters site at 2300 West Broad Street in the City of Richmond and the acquisition and renovation of a replacement headquarters building and customer service center, if determined by the Department of Motor Vehicles and the Department of General Services to be the most cost-beneficial option for the Commonwealth. The departments must communicate the details of such determination to the Six Year Capital Outlay Plan Advisory Committee prior to the sale of the site.

Office of Veterans and Defense Affairs

Department of Veterans Services

Operating Budget Changes

Introduced Budget Non-Technical Changes

Provide additional support for start-up costs at Puller Veterans Care Center

Provides general fund appropriation to support start-up operations at Puller Veterans Care Center.

	2025	2026
General Fund	\$0	\$1,788,263

## Central Appropriations

### Central Appropriations

#### Operating Budget Changes

##### Introduced Budget Non-Technical Changes

##### Adjust funding for Line of Duty Act premiums

Adjusts funding to reflect the Line of Duty Act premiums charged to agencies based on the latest employee enrollment data provided by the Virginia Retirement System.

	2025	2026
General Fund	\$0	\$498,616

##### Provide bonus payment for state and state-supported local employees

Provides a one-time bonus payment equal to two percent of salary to state employees and state-supported local employees. The bonus payments would be effective June 16, 2026 and June 1, 2026, respectively.

	2025	2026
General Fund	\$0	\$124,659,280

##### Adjust appropriation for higher education credit card rebates and interest earnings

Reflects actual amounts needed in 2026 for higher education credit card rebates and interest earnings. Actual rebates and interest earnings were higher than originally budgeted.

	2025	2026
General Fund	\$0	\$12,409,514
Nongeneral Fund	\$0	\$5,970,895

##### Revert unused general fund carryforward amounts

Adds language requiring the Director, Department of Planning and Budget, to revert residual general fund balances.

	2025	2026
GF Resources	\$0	\$4,641,415

### Central Capital Outlay

#### Capital Outlay Budget Changes

##### Introduced Budget Non-Technical Changes

##### Authorize lease and financed purchase agreement

Authorizes a long-term lease or financed purchase agreement for the Department of Corrections in Petersburg.