Summary of the Amendments over the Governor's Budget In 2024-26 Biennium

On February 20, 2025, the Conference Committee reported their budget amendments over the Governor's introduced budget amendments in 2024-26 biennium.

<u>Items related to all state employees</u>:

Compensation:
- Provides a one-time bonus for full-time employees in FY 2026.
- 1.5% of base salary

Tax Relief:
- Tax rebate: $200 for single filers and $400 for joint filers.
- Standard deductions: increase $250 (single filers) and $500 (joint filers) for a total of $8,750 (single filers) and $17,500 (joint filers) for tax years of 2025 and 2026.

Comparison of major funding items for higher education operations are as follows:
(Governor's numbers reflect increase over base budget; Conference numbers reflect change over Governor's budget)

Topic / Item	Governor		Conference	
	FY 2025	*FY 2026*	*FY 2025*	*FY 2026*
SCHEV Items				
Tuition Assistance Grant (TAG) Item 130				$10 million
			To fund increased usage by eligible students. Item 130	
Assistance for students enrolled at Hispanic-Serving Institution (HSI); TAG-eligible institution		$1.5 million		($1.5 million)
	Students enrolled in an undergraduate or graduate nursing program at any TAG-eligible institution designated by the U.S DOE as an HSI. Students eligible for a payment of up to $2,500 per year in addition to TAG. Item 130		Removed the Governor's language and funding Item 130	
			$1.8 million	$0
			Students at a TAG-eligible private not-for-profit Virginia HSI eligible for up to $2,000 supplement. Item 130	
Workforce Credential Grant (WCG) Item 130		$3.5 million Item 130		($3.5 million) Item 130
			NGF $15 million Item 130	

			$10 million	~ $20 million
	NGF $60 million	NGF $60 million	NGF ($60 million)	NGF ($60 million)
Virginia Military Survivors and Dependent Education Program (VMSDEP) – funding to offset the tuition waiver	Provides $60 million nongeneral fund (NGF) to each year. NGF amounts directed to program from Commonwealth Savers surplus pursuant to Item 482;Item 130 For future disbursements of funds, directed Council to advance funds up to 60 percent of the estimated impact of tuition waivers to institutions and distribute remaining amounts prior to the end of each fiscal year. Item 130		Removes Governor's NGF funding. Removes Commonwealth Savers Plan as a fund source. Item 482;Item 130 Removed Governor's language. Increase first year GF funds and provides second year with a one-time general fund supplement of $20 million from FY 2025 surplus of income and retail tax revenue. Item 130;Item 470	
VMSDEP – Stipend Item 130	$2.3 million	$7.1 million		
	Reporting deadline moved from May 15 to June 30. Item 130		Retained Governor's funding levels and reporting deadline change.	
Nursing Education		$12 million		($12 million)
	SCHEV to administer competitive grant with priority to increase number of nursing students or graduates. Item 132		Removed the Governor's language and funding. Item 132	
Data analyst		$161,589		
Virginia Longitudinal Data System (VLDS) Item 132		$504,360 Item 132		Reduce Governor's total funding ($360,000) Item 132
Virginia Talent and Opportunity Partnership (VTOP) (supports internships) Item 132				($6 million)
			SCHEV to maintain the institution and academic aspects of the program while business-related aspects of the internship program transferred to Virginia Economic Development Partnership (VEDP). Language rewrites institution and Council requirements for VTOP. Item 132;Item 113	
Hunger-Free Campus			$500,000 Item 132	
SCHEV Pell Initiative	Changed the SCHEV Pell Initiative report date to November 1. Item 130		Governor's language retained.	

Other Agencies			
State Council of Higher Education for Virginia and Virginia Economic Development Partnership		Tech Talent Award Methodology Directs SCHEV to lead a review of award reduction methodology and submit recommendations. Item 473	
Department of Health and Human Resources		School Nurse Scholarships for LPNs to RNs Directed $300,000 annually from existing appropriations to support scholarships for nursing students intending to work in public schools following graduation. Item 271	
Institution Items			
Maintain Affordability		$55 million	
	Limit in-state undergraduate tuition and fees to the lower of 2.5 percent or the change in the U.S. Average Consumer Price Index for All Urban Consumers (CPI-U) No increase in tuition and mandatory Educational and General fee charges for in-state undergraduate students in fiscal year 2026, relative to fiscal year 2025 charges. Item 240	Removed the Governor's language. Item 240	
E&G Support		$41.5 million	
UG financial aid		$15 million	
Virginia Innovation Partnership Authority (VIPA) Item 115		($35 million)	
	VIPA shall convene a taskforce to review and recommend investments in regional initiatives. Item 115	Removes institution specific appropriations related to VIPA. Added language clarifying the intent of the General Assembly to fully fund VIPA activities at $90 million in future years. Item 115	
IT Infrastructure Modernization		$15 million	
		One-time support of an information technology collaboration among four institutions- CNU, CWM, NSU, & UMW	
CNU Integrated Science Center		$825,000 $540,000 (NGF) Item 136	

VCU and ODU research/student service funding	$9 million		($9 million)	
Virginia's Community College System - College and Career Ready Virginia (CCRV)		$15 million		($15 million)
			NGF $15 million	
	Language reforming G3 program funding as a nonreverting stream that can support both future G3 programming, contingent on demand, and CCRV. Provided one-time transfer of $20 million in unspent G3 nonreverting funds to CCRV. Item 201 Added new budget section outlining dedicated funding stream for CCRV and language restricting the application of other program funds (i.e., WCG, FastForward) for high school students.		Removed both language and appropriations from proposed new budget section outlining funding for CCRV. Directs $15.0 million NGF in unexpended G3 funds for a one-time transfer to WCG. Removed Governor's language. Directs $0.5 million GF in unexpended G3 funds for a one-time transfer to GENEDGE. Item 130;Item 201;Item 203	
VCCS (Patrick and Henry Community College)			$500,000 $500,000 (NGF) Item 203	
			Support of the Virginia Smart Manufacturing Accelerator program	
DOE Lab Schools	$25 million Item 125		($25 million) Item 125	
New College Institute (NCI) Item 234				$500,000
	Directs the Board of Directors of NCI to develop a sustainability plan. Item 234		Removed certain details regarding the development of the sustainability plan. Item 234	
VIMS Item 148		$910,772	$1.5 million	
	Added funding for positions and a shellfish breeding program. Item 148		Retained Governor's new funding Added funding for Sea Grant and a Water Quality Study. Item 148	

Other Budget Language Amendments

Item	Governor	Conference
Commission Studying History of Uprooting of Black Communities Item 1		Provided $200,000 in FY 2025 to the Commission Item 1
Joint Subcommittee on Higher Education Funding Policies Item 1		Provided $350,000 in FY 2025 to support the work of the legislative Joint Subcommittee on Higher Education Funding Policies which may include contracted services. Item 1
Process for Federal Grant Reductions		Established a process to respond to potential reductions in federal grant revenue Item 4
Contingent Surplus Reservations		Reserved all remaining surplus funds to address the impacts of federal funding reductions. Item 470