

Key Budget Policy Choices

Comparing the governor's and money committee budgets to current budget



The House Appropriations and Senate Finance & Appropriations committees have released their proposed changes to the 2022-2024 budget (FYs 2023 and 2024). The charts below provide a summary level assessment of key general fund changes proposed by the money committees and Gov. Youngkin compared to the current budget (Chapter 2).

Dollar figures represent proposed combined FY23 and FY24 changes in general fund spending. NGF = non-general funds

		Governor		House Appropriations		Senate Finance
Tax Policy Decisions						
Tax Payer Relief Fund	Transfers one-time funds to effect/continue tax changes or for future years	\$128.0m	Same as governor's	\$128.0m	Transfers funds into new 'Rolling Conformity Taxpayer Relief Fund'	\$75.0m
Tax conformity	Updates state revenue est. for fed. tax changes	-\$0.5m	Updates state revenue est. for fed. tax changes	\$22.9m	Updates state revenue est. for fed. tax changes	\$23.1m
Business int. expense deduct	Increases from 30% to 50% eff. tax year (TY) 2024	-\$10.3m	Same as governor's	-\$10.3m	Not included	
Military retire. subtraction	Removes age limit eff. TY24	-\$37.8m	Same as governor's	-\$37.8m	Not included	
Standard deduction	Increases to \$9k/\$18k for single/joint filers eff. TY24	-\$94.9m	Same as governor's	-\$94.9m	Not included	
Qual. business income deduct.	Allows a 10% deduction eff. TY23	-\$162.1m	Same as governor's	-\$162.1m	Not included	
Individual income tax rate	Reduces top rate from 5.75% to 5.5% eff. TY24	-\$333.3m	Same as governor's	-\$333.3m	Not included	
Corporate income tax rate	Decreases from 6% to 5% eff. TY23	-\$362.1m	Same as governor's	-\$362.1m	Not included	
Tax on cigars	Not included		Reduces tax; expects loss of \$12.3m NGF to health fund	-\$0.08m	Not included	
Livable home tax credit	Not included		Increases aggregate cap from \$1m to \$2m a year	-\$1.0m	Not included	
Oyster shell recycling tax credit	Not included		Creates nonrefundable credit for shell donation for use in restoration proj.	-\$0.3m	Not included	
Va Nat'l Guard income tax	Not included		Increases subtraction from \$3k to \$5k	-\$0.7m	Increases subtraction from \$3k to \$6k	-\$1.0m
Firearm safety tax credit	Not included		Creates refundable credit up to \$300 for device	-\$5.0m	Not included	
Wholesome Food Tax Credit	Not included		Renews tax credit and increases credit amount	-\$0.1m	Not included	
Sports betting revenue	Not included		Not included		Allows limited deduction of bonuses & promotions	-\$13.0m
Historic Rehab. Tax Credit	Not included		Not included		Increases max. amount from \$5m to \$10m	-\$15.0m
Income apportionment	Not included		Not included		Changes for retail companies & internet root infrastructure providers	-\$45.0m

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PreK-12 Education			
Direct aid for school divisions	Increases from updated estimates & policy choices \$321.1m	Increases from updated estimates & policy choices \$382.8m	Increases from updated estimates & policy choices \$1.02b
2% salary increases	Not included	Provides state share of add'l 2% increase \$109.6m	Provides state share of add'l 2% increase \$116.8m
Other salary increases	Not included	Provides increase for state program staff \$3.8m	Provides increase for Board Certified teachers \$8.9m
Retention bonus	Provides state share of a 1% retention bonus for SOQ-funded positions \$45.2m	Provides \$1.7m NGF for \$1k bonus for certain regional programs	Includes \$1k bonus for instructional and support positions \$140.4m
Performance bonus	Funds \$5k bonus to "top performing" teachers \$50.0m	Not included	Not included
Recruitment bonus	Funds one-time bonus for hard-to-fill positions/schools \$10.0m	Same as governor's \$10.0m	Same as governor's \$10.0m
Support cap	Eliminating cap not included	Eliminating cap not included	Eliminates cap on state funding for support staff \$270.6m
Specialized support staff	Addition not included	Addition not included	Provides state share of add'l mental & phys. health staff \$56.9m
Reading specialists	Funds state share of 1 reading specialist for each 550 students grades 4-5 \$16.9m	Funds state share of 1:550 in grades 4-5 and 1:1,150 in 6-8; includes \$6.7m NGF for add'l literacy support \$30.8m	Funds state share of 1 per 550 students grades 4-8 and add'l GF for literacy support \$51.1m
Instructors for English Learners	Increase not included	Increase not included	Funds state share of add'l instructors (24:1000) \$24.3m
Math specialists & training	Funds for K-8 schools w/ low SOLs \$7.2m	Same as governor's \$7.2m	Same as governor's \$7.2m
Instructional assistants	No proposal included	Funds temp. assistants for very troubled schools \$3.0m	Funds temp. assistants for troubled schools \$38.6m
Hold harmless for calc error	Not included (problem not known)	Maintains FY23 support at level per June calc sheets \$4.9m	Holds schools harmless in FY23 for state calc error \$58.1m
School security	Increase not included	Provides security grants \$13.5m	Provides safety and security grants \$50.0m
High-poverty schools	Increase not included	Increase not included	Provides add'l support via at-risk add-on (up to 40%) \$37.1m
Regional CTE facility	Not included	Supports establishing facility in Chesapeake \$20.0m	Not included
Mental health pilot	Provides school-based pilot in HHR \$15.0m	Provides school-based pilot in Direct Aid \$15.0m	Same as governor's \$15.0m
Sales tax for construction	Proposal not included	Proposal not included	Allows all localities 1% sales tax for construction/renovation if local voters approve

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PreK-12 Education, continued			
Preschool pilot	Pilots full-day, yr-round services via Mixed Delivery \$20.0m	Same as Governor's \$20.0m	Funds mixed-delivery programs \$40.0m
Lab schools initiative	Increases money to Fund for per-pupil costs for approved lab schools; allows Dept of Ed to use some funds for prog admin \$50.0m	Increases money to Fund and provides up to \$50m to Division Lab. Schools \$50.0m	Reallocates lab school funding to school divisions -\$95.0m

Higher Education (excludes debt-funded capital projects; includes university-based research initiatives)			
Undergrad need-based fin. aid & affordable access	No increase included	Provides funds for more affordable access across all universities \$75.6m	Provides \$75m for financial aid and nearly \$150m for affordable access \$224.8m
Pell Grant Students	Not included	Not included	Provides funding to recruit/retain Pell Grant students \$25.0m
Tuition assistance grant (TAG) program	Increases TAG online award to \$3,750 (FY24) and benchmarks at 75% of on-campus award	Increases maximum TAG award in FY24	Maintains original TAG amount of \$2,500
Eastern Virginia Medical School	Provides one-time funds to support ODU/EVMS merger \$10.0m	Provides add'l funding for ODU/EVMS merger \$50.0m	Same as governor's \$10.0m
Mental health	Provides funding to contract mental health services for K-12 & college students \$9.0m	Provides funding for contracted services for college students \$8.5m	Same as governor's \$9.0m
Massey Cancer Center (VCU)	Provides funding for Center to pursue NCI Comprehensive status \$5.0m	Same as governor's \$5.0m	Not included
Virginia Community College System	Expands credential (\$15m) and career placement (\$3m) programs \$18.0m	Provides funding for workforce credential pipeline initiative; defers new career counseling \$10.0m	Provides funding to existing workforce programs \$3.0m

Add'l GF cash for higher ed capital: Provided in capital outlay. See *Capital section on page 7 for GF total.*

Earn to Learn Nursing Ed Acceleration	Funds partnerships between ed & health institutions \$30.0m	Provides some funds for program, allows private institutions to apply \$24.6m	Provides some funds for program \$20.0m
Healthcare workforce programs	Increases funding for scholarship and loan repayment programs \$18.5m	Provides funds and adds oversight positions \$18.9m	Increases funding and consolidates programs \$18.5m
Nurse faculty funding	Not included	Not included	Provides funding for nurse faculty at public higher ed institutions \$5.8m

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Health Care			
Medicaid/FAMIS/CHIP utilization and inflation	Lowers spending forecast due to enhanced FMAP and health care fund adjustments -\$378.0m	Further reduces forecast due to enhanced FMAP, cigar tax, delayed use of certain services & add'l MCO pymts -\$482.7m	Further reduces spending forecast due to enhanced FMAP, and add'l MCO pymts -\$487.2m
Medicaid reimbursement rates	Increases rates for respite, personal care, companion & Early Intervention svcs \$42.7m	Increases Medicaid reimbursement for a number of services \$53.8m	Increases reimbursement for a number of providers and services \$210.0m
Nursing Facility Value Based Program	Increase not included	Increases funding for rewarding facilities for performance/ improvement \$31.1m	Increases funding for program and indexes to inflation eff. FY24 \$15.5m
Developmental Disability Waiver	Increases DD waiver slots by 500 beginning in FY24 \$15.2m	Adds 500 slots (FY24); transfers prog admin to DMAS \$15.2m	Adds 500 slots; adds add'l 500 conting. on balances \$15.2m
Cover All Kids Program	Not included	Not included	Funds coverage for income-eligible kids regardless of immigration status \$7.3m
Medicaid/FAMIS/CHIP Redetermination	Provides \$30m NGF to increase DMAS & DSS capacity to redetermine eligibility per end of fed. provision	Provides \$30m NGF and GF to support local agencies w/ redetermination efforts \$3.3m	Provides \$30m NGF and add'l GF to support local agencies \$2.8m
Community Health Workers	Not included	Not included	Funds study on Medicaid reimbursement \$0.1m
Funding for abortion svcs	Removes lang. allowing state-funds in certain fetal abnormality cases	Same as governor's	Retains language
Comprehensive crisis services	Funds crisis receiving centers & stabilization units \$58.3m	Provides add'l funds for crisis centers & units \$83.3m	Provides add'l funds for crisis centers & units \$88.3m
Community Services Boards	Increase not included	Funds salary adjustments for CSB staff \$36.5m	Funds salary adjustments for CSB staff and STEP-VA services (\$8.7m) \$58.7m
Children's Behav. Health	Not included	Funds targeted children's BH services \$8.4m	Funds targeted children's BH services \$8.4m
Virginia Mental Health Access Program	Increase not included	Increase not included	Expands program to early childhood and perinatal providers \$7.9m
SMI Housing	<i>See housing section</i>		
Rx Affordability Board	Not included	Not included	Provides funding to set up Board in Virginia \$0.3m
Va Perinatal Quality Collaborative	Not included	Not included	Provides funding to support statewide collaborative \$0.08m
Family Planning	Not included	Not included	Provides funds to local depts \$2.5m

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Policing and Criminal Legal System			
Recruitment Initiative	Provides one time funds for law enforcement recruitment/training \$30.0m	Same as governor's \$30.0m	Uses \$29.9m ARPA funds for initiative \$0.1m
Operation Ceasefire	Provides one time money for Grant Fund \$20.0m	Same as governor's \$20.0m	Not included
Firearm Violence Inter- & Prevention Center	Not included	Not included	Provides money for Grant Fund \$20.0m
Criminal Fund	Reverts \$33m in balances	Reduces appropriation for indigent defense and reverts \$33m in balances -\$15.0m	Same as governor's
Safer Communities Program	Not included	Not included	Funds community-based violence prevention programs \$10.0m
Virginia Mass Violence Care Fund	Creates Fund in DCJS \$10.0m	Same as governor's \$10.0m	Creates Fund in Central Approps \$10.0m
SRO Incentive Grant Fund	Not included	Funds add'l school resource & security officers & training/equip \$8.0m	Supports Incentive Grant Fund (SB1099) \$2.0m
State Police Positions	Provides add'l funds and positions \$5.3m	Same as governor's \$5.3m	Provides some funds and positions \$4.6m
Lawrenceville Correct. Center	Provides one-time operational funding \$5.3m	Provides some funds for center \$2.5m	Provides some funds for center \$4.3m
Bon Air JCC & Contracts	Funds add'l capacity \$3.7m	Requires DJJ to assess impacts of LOS guidelines \$0.8m	Directs DJJ to pause implementing LOS changes
Witness Protection	Provides support for program \$2.5m	Provides add'l support for program \$7.5m	Provides add'l support through pilot program \$3.0m
Delinquency Prevention	Not included	Not included	Funds grant program \$3.0m
Funding for Proposed Legislation	Sets aside fund for proposed felony legislation (Woodrum Amend.) \$0.6m	Sets aside fund for add'l proposed felony legislation \$16.5m	Sets aside fund for add'l proposed felony legislation \$1.3m
Va Cannabis Control Authority	No change included	Reduces appropriation to Authority -\$13.4m	Increases funding for Authority \$6.0m

For all public safety salary adjustments, please see Compensation section on page 7.

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Social Services						
Auxiliary Grant	Not included		Increases allowance and reimbursement rate for individuals receiving an Auxiliary Grant and the facilities who serve them	\$4.9m	Increases allowance and reimbursement rate for individuals receiving an Auxiliary Grant and the facilities who serve them	\$30.2m
Kinship navigator prog.	Expands from 6 to 12 programs	\$0.9m	Same as governor's	\$0.9m	Provides add'l funding	\$1.1m
TANF	Increase not included		Increase not included		Provides GF and \$9.8m NGF TANF funds for 10% increase in cash benefits and income eligibility threshold	\$1.2m

Housing						
Local housing inspection program	Provides funds for local building authorities to increase permit capacity	\$10.0m	Provides grants to support local/regional building departments/activities	\$10.0m	Not included	
Flood Damage in Buchanan and Tazewell	Provides \$11.4m NGF from Low-Income Energy Efficiency Program for financial relief		Provides \$18m NGF for financial relief		Provides GF for financial relief	\$11.0m
SMI Housing	Increases funds for supervised residential care for people w/ serious mental illness	\$8.0m	Same as governor's	\$8.0m	Provides add'l funding for Permanent Supportive Housing	\$58.0m
Housing Studies	Not included		Provides housing study funds directed by legislature	\$0.5m	Provides funds for state-wide housing assessment	\$0.4m
Manufactured Home Parks	Not included		Not included		Provides funding for affordability pilot program	\$3.0m

Workers' Rights						
Paid family/medical leave	Not included		Not included		Provides line of credit to begin program	
UI Trust Fund	Increases trust fund balance	\$100.0m	Add'l deposit not included		Provides some GF to increase fund balance	\$40.0m

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Compensation						
State and state-supported employees	Provides one-time \$1,500 bonus for all full-time state employees and add'l merit-based bonuses for certain state employees	\$199.8m	Provides add'l 2% salary increase for state/state-supported employ; gives state agencies \$21.1m for targeted pay actions	\$134.2m	Provides \$1k bonus & add'l 2% salary increase to state/state-supported employ, FT & adjunct faculty & grad. TAs in FY24	\$173.5m
Teachers and support positions	Provides \$5k performance-based bonuses and state share of one-time retention bonus on Sep 1, 2023 for certain positions	\$95.2m	Provides state share of add'l 2% pay raise for SOQ-funded positions	\$109.6m	Provides state share of add'l 2% pay raise for SOQ-funded positions; provides \$1k bonuses to instruction & support positions in FY24, with no local match requirements	\$257.3m
Commonwealth Attorneys	Increase not included		Increase not included		Increases salary to align with increases at public defender offices	\$4.6m
Asst CAs & Career Prosecutors	Increase not included		Provides 15% salary increase in FY24	\$7.2m	Increase not included	
Salaries for vacant DOC positions	Increases salaries of vacant probation, parole, & security positions to meet min. salaries per prev. legislation	\$8.6m	Increase not included		Same as governor's	\$8.6m
District Court Clerks	Increase not included		Increase not included		Provides 2% salary increase	\$2.0m
Circuit Court Clerks	Increase not included		Increase not included		Provides salary increase	\$1.1m
Office of Chief Medical Examiner	Adjusts salaries to be more competitive with other states	\$1.5m	Adjusts salaries and provides add'l in FY24	\$3.0m	Adjusts salaries to be more competitive with other states	\$2.5m
Sworn deputy sheriffs & reg. jail officers	Provides funding to address compression issues and raise salaries	\$13.9m	Provides add'l salary increase due to consolidation of population-based salaries	\$15.2m	Funding same as governor's; includes language to commission salary study	\$13.9m

Other						
Capital	Boosts funding by \$815m, including \$505m GF cash	\$504.5m	Boosts funding by \$709m, including \$382m GF cash	\$382.4m	Boosts funding by \$940m, including \$597m GF cash	\$596.6m
Contingent appropriations	Identifies \$750m of items to unallot if actual FY23 revenues are below estimate, including cash for capital and employee bonuses		Identifies \$399m of items to unallot if actual FY23 revenues are below estimate, including cash for capital		Identifies \$995m of items to fund if actual FY23 revenues exceed estimate, incl. higher ed access/affordability (\$100m), childcare subsidy grants (\$80m) & Housing Trust Fund (\$150m)	

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		Governor	House Appropriations	Senate Finance		
Water Quality						
Resilient Virginia Revolving Loan Fund	Provides loans/grants to local govts to (re)finance cost of resilience projects; FY24 funding contingent on revenue	\$200.0m	Provides some funding for the Revolving Loan Fund	\$100.0m	Same as governor's	\$200.0m
Water Quality Improvement Fund	Makes deposit based on FY22 excess GF; add'l Ag. Best Mngmt deposit	\$137.1m	Same as governor's	\$137.1m	Makes deposit based on FY22 excess GF; add'l Ag. Best Mngmt deposit	\$150.0
Major Water Projects	Provides \$151m for wastewater projects; \$100m for Richmond Sewer Overflow; and \$5.5m for Poor Creek Upgrades	\$256.5m	Adds funding for add'l wastewater and stormwater projects	\$295.2	Adds funding for add'l wastewater and stormwater projects	\$277.0m
Drinking Water (DW)	Backfills Office of DW deficit (\$1.1m); increases funds for state match (\$3.4m)	\$4.5m	Same as governor's	\$4.5m	Same funding as gov; priority for Mendota project	\$4.5m

Economic Development						
Busines Ready Sites Fund	Allocates \$450m to Site Acquisition Pilot Program and provides \$50m to the Business Ready Sites Fund	\$500.0m	Eliminates pilot program; provides \$250m to Business Ready Sites Program Fund; creates and provides \$200m to Business Ready Sites Acquisition Fund; FY24 contingent on revenue	\$500.0m	Eliminates pilot program; allocates add'l funding to Business Ready Sites Program	\$300.0m
GO Virginia	Expands Virginia Talent Pathways program in FY24	\$24.5m	Designates add'l \$21m to Talent Pathways	\$19.5m	Expands Virginia Talent Pathways program in FY24	\$14.5m
Washington Commanders	Provides funding to plan & evaluate potential relocation	\$0.5m	Updates study language	\$0.5m	Not included	
Cloud Computing Cluster Infrastructure	No change included		Includes language clarifying eligibility for Amazon Web Services		Includes language clarifying eligibility for Amazon Web Services	
Mount Rogers Planning District	No change included		Funds development of an inland port	\$55.0m	Funds development of an inland port	\$10.0m
Industrial Revitaliz. Fund	No change included		Provides add'l funding	\$7.0m	No change included	
Community Develop. Financial Inst. Fund	No change included		Recapitalizes fund to invest in small businesses and housing	\$5.3m	Recapitalizes fund to invest in small businesses and housing	\$5.0m
Va Brownfields & Econ. Redevelop. Assistance Fund	No change included		Provides add'l funding	\$2.0m	No change included	