

VIRGINIA'S BUDGET MATTERS



Jan. 2026

Budget choices are among the most important

Virginia's two-year budget and updates to that budget are among the most important decisions made each year during the legislative session. The state budget reflects what and who we value as a commonwealth because funding decisions impact the lives of everyone in Virginia through child care and education, health care, safety-net programs, and more. It is also a critical tool to break down barriers to opportunity and advance racial and economic justice.

We must center families and communities



People are the economy, and our economy will only do well when people have the resources they need to thrive. That's why it's important for lawmakers to focus on what matters most for families and communities: targeted help for families struggling with increasing costs, investing in our schools, expanding health care access, and making sure profitable corporations and the wealthy pay their fair share.

Learn more about the budget process and tax policy choices at bit.ly/va-budget-matters





Lawmakers must invest in our communities

Instead of the frequent proposals to forfeit billions of our shared resources through tax cuts that favor the wealthy, lawmakers could fully and fairly fund critical services that have long been underfunded, including:



Expanding access to **high-quality child care** by adding funding for an additional 10,300 children and investing in fair pay that retains high-quality early educators and keeps child care classrooms open: \$681 million over the biennium



Provide more flexible funding to **meet the needs of students** facing the highest barriers, including students from low-income families, English language learners, and students with disabilities: \$741 million over the biennium



Creating a targeted ACA state subsidy program to replace expiring enhanced federal subsidies and **protect health care** for low-income families (100%-200% FPL): \$40.1 million in FY27



Creating a **Commonwealth Kids Credit** to help nearly 800,000 children in Virginia: about \$235 million a year

Smart tax choices can help us all thrive

When we invest together in the foundations that benefit all of us, our communities thrive. Virginia's tax code can be a critical tool to:

- Direct support to families who need it most
- Make sure the wealthy and profitable corporations pay their fair share
- Protect our resources to invest in critical services and programs

Recently, lawmakers have made tax policy choices that have both helped and hurt our progress toward a more fair tax code, and each legislative session is another opportunity to advance tax choices that work for all of us.