Summary of Executive Budget  
Presented by Governor Youngkin  
December 20, 2023

General Fund (GF)  
Non General Fund (NGF)

Links

[Governor’s Remarks](https://dpb.virginia.gov/budget/buddoc24/Governor%20Glenn%20Youngkin's%20Speech%20to%20Money%20Committees%202023-12-20.pdf)

[Secretary of Finance Remarks to Money Committees](https://dpb.virginia.gov/budget/buddoc24/Finance%20Secretary%20Cummings%20Presentation%202023-12-20.pdf)

[Highlights of Governor’s Budget](https://dpb.virginia.gov/budget/buddoc24/Budget%20Director%20Michael%20Maul's%20Presentation%202024%2012-20-2023.pdf)

[Executive Budget Document](http://publicreports.dpb.virginia.gov/rdPage.aspx?rdReport=BDOC2024_FrontPage)

[HB30/SB30](https://budget.lis.virginia.gov/bill/2024/1/)

**Transportation**

* Proposes language directingThe Commonwealth Transportation Board to provide at least $200M to the Transportation Partnership Opportunity Fund established pursuant to § [33.2-1529.1](http://law.lis.virginia.gov/vacode/33.2-1529.1/), Code of Virginia, out of the revenue of the Commonwealth Transportation Fund in the Six-Year Financial Plan adopted prior to July 1, 2023 for fiscal years 2025 through 2030. (Item 438 K)
* Proposes $20M GF in the first year for deposit to the Transportation Partnership Opportunity Fund established pursuant to § [33.2-1529.1](http://law.lis.virginia.gov/vacode/33.2-1529.1/), Code of Virginia.( Item 438 L)
* **Proposes $70M GF in the first year to support the I-81 Northbound Lane Widening Project from Mile Marker 116 to 128 in the Salem District. (Item 438 M)**
* Proposes $10M GF in the first year for preliminary engineering and design, property, acquisition, and construction and equipment costs to support the establishment of an inland port within the Mount Rogers Planning District.
* Proposes $800,000 GF in the first year for the Spearhead Trails in Southwest Virginia.
* Amends language to allow the use of Grant Anticipation Revenue Vehicle (GARVEE) bonds for the Interstate Operations and Enhancement Program.
* Proposes to establish requirements for an increase in state operating assistance for the Washington Metropolitan Area Transit Authority (WMATA) in FY25 above the maximum 3% increase over the prior fiscal year. An increase above this amount requires approval of the Secretary of Transportation and requires WMATA to submit a corrective action plan to the address cost reduction strategies, sizing employee headcount relatives to ridership and vehicle revenue miles, and a timeline for automation of the Metrorail system.

Airport Infrastructure

* Proposes $350,000 in the first year in NGF appropriation to study the implementation of emerging technologies, including Advanced Air Mobility

**Fralin Biomedical Research Institute at VTC**

* Proposes $100M GF in the first year for the Virginia Biotechnology, Life Sciences, and Pharmaceutical Manufacturing Network; VT potential allocation is $27M

**Tax Policy**

* Proposes to reduce all income tax rates by 12% (5.10%, 4.40%, 2.65%, and 1.75%)

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* Proposes a 0.9% increase in state sales tax (4.3% to 5.2%)
* Proposes to expand tax base to “New Economy” Products (digital downloads, streaming music and videos, website hosting and design, data storage, computer services, etc.). Additional revenues would be dedicated to:
  + 50% to Transportation Opportunity Fund
  + 50% to Interstate 81 Corridor Improvement Fund (through June 30, 2031)
* Proposes Increase in Virginia Earned Income Tax Credit to 25% (currently 20%)
* Proposes to eliminate personal car tax but did not include in the introduced budget

**Compensation**

* Proposes two bonus payments, each equal to one percent of salary for full-time state employees and state -supported local employees, effective December 1,2024 and December 1, 2025
* Proposes a one percent salary increase effective June 10, 2020 for state employees and a one percent salary increase effective July 1, 2025 for state-supported local employees.

**Workforce/Economic Development**

* Proposes $15M GF in the first year for a new workforce improvement program to be operated by the Virginia Economic Development Partnership.
* Proposes $95.5M GF in the first year to support the Virginia Business Ready Sites Program Fund; brings base funding for the program to $200M over the biennium.
* Proposes $500,000 GF in the first year for the Secretary of Finance to evaluate economic development incentives that aid in the relocation of sports teams and their associated facilities to the state.
* Proposes $2M in the first year and $2.25M in the second year GF for a strategic focus on accelerating economic growth by ecosystem building, further developing sector expertise, and extensive collaboration.
* Proposes $750,000 GF in both years for administration of the Virginia Business Ready Sites programs
* Proposes $22.1M GF to support capital investments associated with bolstering technology-related education to address workforce needs.
* Proposes $1.5M GF reduction in both years for the Enterprise Grant Fund to reflect declining utilization.
* Proposes $29.7M in the first year and $49.7M in the second year to the appropriation for the Virginia Telecommunications Initiative to account for the availability of federal funding for this purpose.
* Proposes $4M GF in the first year for deposit to the Industrial Revitalization Grant.
* Proposes $2M GF in the first year for competitive grants in precision farming, livestock monitoring, aqua culture, indoor farming, and other areas of agricultural research.
* Proposes $2M GF in the first year for the Governor’s Agriculture and Forestry Industries Development Fund.
* Proposes $25M GF in the first year for an incentive grant program to be administered by DHCD and the Dept. of Education with the objective of increasing the supply of quality early learning facilities in areas of greatest need.
* Proposes $350,000 GF in both years to provide additional support to the Center for Rural Virginia.
* Proposes $6M GF in the first year for the Virginia Power Innovation Fund.
* **Proposes to transfer $28M in unobligated balances in the Growth and Opportunity Fund under the GO Virginia Program to the General Fund.**

**Miscellaneous**

* Proposes $760,000 in the first year and $600,000 GF in the second year to complete a statewide inventory of obsolete fire towers and to begin removing such structures.
* Proposes a reduction of $250,000 GF in both years for supplemental broadband funding to the Lenowisco Planning District Commission and Cumberland Plateau Planning District Commission and redirects funding to the Virginia Coalfields Expressway Authority.