

State Budget Process

November 13, 2025



State Budget Process

FY25/26 State Budget

- Chapter 725 is current state budget for FY25/FY26 (ends June 30, 2026)
- FY26 state budget is \$92.5 billion; 1/3 general funds (GF)/state revenue sources; two-thirds non-general funds (NGF)
- NGF: Federal funds received (Medicaid); higher education operating; federal transportation funds are “Top 3” (3/4 of the 2/3)

State Budget Process

Federal and State Funds

- Federal funds take form of:
 - ▣ Non discretionary/formula funding—FTA, FHWA HOME, EDA, ARC, etc. that pass through the state budget/state agencies; and
 - ▣ Discretionary/grant funding.
- State funds are direct or grant-based GF appropriation.

State Budget Process

PDC Funding

- Funding for Planning District Commissions is state GF through DHCD
- Base funding payments made quarterly by DHCD (following annual report by PDCs and after contract execution)
- 18 of 21 PDCs receive \$114,971, with amounts higher for NVRC, HRPDC and PlanRVa.

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State Budget Process/ Timelines

- Governor Youngkin budget presentation—December 17
- General Assembly Convenes—January 14
- General Assembly member budget amendments due 1/16
- House and Senate budget changes—mid-February
- “Crossover Day” of bills—February 17
- Adjournment—March 14